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CALENDAR - [ACTIONS TAKEN]

MEETING OF

FINANCE COMMITTEE

BOARD OF SUPERVISORS

CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, MAY 2, 1990 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

ABSENT: SUPERVISOR HALLINAN, ITEMS 2a, 2b, and 2c

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

SPECIAL ORDER - 3:00 P.M.

1. File 100-89-23. Hearing to consider year-end 1989-90 budget review. (Supervisor Walker)

Capital Projects  
Public Utilities Commission  
Hetch Hetchy Water and Power  
Water Department  
Municipal Railway  
Department of Public Works (Except BBI)  
Municipal Court (Traffic and Parking only)  
Police Department (Traffic and Parking Control only)  
Parking Authority/Parking and Traffic Commission)

(Continued from 4/25/90.)

ACTION: HEARING HELD. CONTINUED TO CALL OF THE CHAIR.

CONSENT CALENDAR

2. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - a) File 31-90-3. [Employee Replacement] Resolution approving immediate filling of vacated position of 1926 Materials and Supplies Supervisor, Port of San Francisco. (Port)
  - b) File 89-90-5. [State Disability Insurance] Resolution authorizing enrollment of Classification 1950 Assistant Purchaser in the State Disability Insurance Program. (Mayor's Office of Employee Relations Division)

- c) File 89-90-6. [State Disability Insurance] Resolution authorizing enrollment of Classifications 1950 Assistant Purchaser, 1952 Purchaser and 1956 Senior Purchaser in the State Disability Insurance Program. (Mayor's Office of Employee Relations Division)
- d) File 101-88-29.1. [Release of Funds] Requesting release of reserved funds, Department of Public Health, Division of Mental Health, in the amount of \$17,000, for funding the Art Commission (funded from 1987 Mental Health L-Facility Bond Fund). (Department of Public Health)
- e) File 79-89-5.2. [Release of Funds] Requesting release of reserved funds, Mayor's Office of Community Development, in the amount of \$19,705, administrative funds to conduct technical assistance training sessions for non-profit agency applicants. (Mayor's Office of Community Development)

ACTION: ITEMS 2b, 2d, AND 2e SEVERED. REMAINDER OF THE CONSENT CALENDAR RECOMMENDED.

ITEM 2b, File 89-90-5. TABLED.

ITEM 2d, File 101-89-29.1. HEARING HELD  
RELEASE OF \$17,000 RECOMMENDED. FILED.

ITEM 2e, File 79-89-5.2. HEARING HELD. RELEASE  
OF \$19,705 RECOMMENDED. FILED.

#### REGULAR CALENDAR

- 3. File 25-90-8. [Contract] Concurring with the Controller's certification that security services can be practically performed at the Department of Social Services by private contractor for lower cost than similar work services performed by City and County employees. (Department of Social Services)

(Continued from 4/25/90.)

ACTION: RECOMMENDED.

- 4. File 101-89-117. [Government Funding] Ordinance appropriating \$30,800, Municipal Court, for permanent salaries and retirement allowance for salary range adjustments of twenty Court Reporters; providing for ratification of action previously taken. RO #9254 (Controller) (companion to File 102-89-45)

ACTION: AMENDED PER BUDGET ANALYST'S RECOMMENDATION.  
NEW TITLE: "[Government Funding] ORDINANCE  
APPROPRIATING AND RESCINDING \$30,800, MUNICIPAL  
COURT, FOR PERMANENT SALARIES AND RETIREMENT  
ALLOWANCE FOR SALARY RANGE ADJUSTMENTS OF TWENTY  
COURT REPORTERS; PROVIDING FOR RATIFICATION OF  
ACTION PREVIOUSLY TAKEN." RECOMMENDED AS  
AMENDED.

5. File 101-89-118. [Government Funding] Ordinance appropriating \$596,145, Superior Court, for permanent salaries and retirement allowance, other personal services - transcripts and fees and other compensation; rescinding \$41,890 from permanent salaries and retirement allowance, for salary range adjustments of twenty nine Phonographic Reporters; providing for ratification of action previously taken. RO #9253 (Controller) (companion to File 102-890-45)

ACTION: AMENDED TO REDUCE TOTAL APPROPRIATION TO \$562,704. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$562,704, SUPERIOR COURT, FOR PERMANENT SALARIES AND RETIREMENT ALLOWANCE, OTHER PERSONAL SERVICES - TRANSCRIPTS AND FEES AND OTHER COMPENSATION; RESCINDING \$41,890 FROM PERMANENT SALARIES AND RETIREMENT ALLOWANCE, FOR SALARY RANGE ADJUSTMENTS OF TWENTY-NINE PHONOGRAPHIC REPORTERS; PROVIDING FOR RATIFICATION OF ACTION PREVIOUSLY TAKEN " RECOMMENDED AS AMENDED.

6. File 102-89-45. [Public Employment] Ordinance amending Annual Salary Ordinance, 1989-90, Municipal and Superior Courts, to provide a salary increase for Court Reporters, effective November 1, 1989. (Civil Service Commission) (companion to File 101-89-117 and File 101-89-118)

ACTION: RECOMMENDED.

7. File 101-89-121. [Government Funding] Ordinance appropriating \$3,000, Recreation and Park Department, for materials and supplies. RO #9251 (Controller)

ACTION: AMENDMENT OF THE WHOLE PRESENTED; AND REFUSED ADOPTION. RECOMMENDED.

8. File 101-89-122. [Government Funding] Ordinance appropriating \$51,000, Recreation and Park Department, for rental of property. RO #9258 (Controller)

ACTION: TABLED.

9. File 101-89-124. [Government Funding] Ordinance appropriating \$7,921, Juvenile Court, for permanent salaries and related mandatory fringe benefits, fees and other compensation, other current expenses and materials and supplies; rescinding \$7,921 from permanent salaries; for the creation of eight positions. (companion measure File 102-89-46) RO #9260 (Controller)

ACTION: AMENDED PER BUDGET ANALYST'S REPORT. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$7,921, JUVENILE COURT, FOR PERMANENT SALARIES AND RELATED MANDATORY FRINGE BENEFITS, FEES AND OTHER COMPENSATION, OTHER CURRENT EXPENSES AND MATERIALS AND SUPPLIES; RESCINDING \$7,921 FROM PERMANENT SALARIES FOR THE CREATION OF EIGHT POSITIONS; PROVIDING FOR RATIFICATION OF ACTION PREVIOUSLY TAKEN." RECOMMENDED AS AMENDED.

10. File 102-89-46. [Public Employment] Ordinance amending Annual Salary Ordinance, 1989-90, Juvenile Court, reflecting the establishment of one new position Classification A101 Secretary, Juvenile Probation Commission and the addition of seven commissioner positions Classification A091 Juvenile Probation Commissioner. (companion measure to File 101-89-124) (Civil Service Commission)

ACTION: AMENDED ON LINE 14, TO CHANGE "A101" TO "A108".  
NEW TITLE: "[Public Employment] ORDINANCE AMENDING ANNUAL SALARY ORDINANCE, 1989-90, JUVENILE COURT, REFLECTING THE ESTABLISHMENT OF ONE NEW POSITION CLASSIFICATION A108 SECRETARY, JUVENILE PROBATION COMMISSION AND THE ADDITION OF SEVEN COMMISSIONER POSITIONS CLASSIFICATION A091 JUVENILE PROBATION COMMISSIONER."  
RECOMMENDED AS AMENDED.

11. File 101-89-125. [Government Funding] Ordinance appropriating \$392,163, Juvenile Court, for various facilities maintenance projects and professional services. RO #9261 (Controller)

ACTION: RECOMMENDED.

12. File 170-90-4. [Mortgage Revenue Bonds - Cancellation] Resolution authorizing the Mayor to execute an agreement cancelling the City and County of San Francisco 1982 mortgage revenue bonds (San Francisco residential hotels), assigning the bond loan documents, and releasing claims (see File 341-82). (Supervisor Walker presented.)

ACTION: CONTINUED TO 5/9/90.

13. File 51-90-1. Transmitting claims of employees, various departments, for reimbursement for personal property damaged and/or stolen in the line of duty. (Various Departments)

ACTION: HEARING HELD. CLAIM OF WILLIE D. EASHMAN FILED. CLAIM OF JAMES R WOLLEN RESTORED TO \$746.18 AND RECOMMENDED. REMAINDER OF CLAIMS RECOMMENDED AS SHOWN ON LIST DATED APRIL 2, 1990. RESOLUTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED: "[Reimbursement to Employee] RESOLUTION AUTHORIZING REIMBURSEMENT FOR COST OF PERSONAL PROPERTY OF CITY AND COUNTY EMPLOYEES DAMAGED/STOLEN IN THE LINE OF DUTY." RECOMMENDED.

CITY AND COUNTY



OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

May 2, 1990

TO: Finance Committee

FROM: Budget Analyst

SUBJECT: May 2, 1990 Finance Committee Meeting

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### Item 1 - File 100-89-23

**Note:** This item was continued from the April 25, 1990 Finance Committee meeting.

1. This item is a hearing to consider the year-end 1989-90 budget review.

2. In accordance with the Finance Committee Chair's April 4, 1990 Memorandum on the Year End Budget Review, the focus of the May 2, 1990 budget review meeting will be City Administration, Housing, Planning and Economic Development. The specific departments to be reviewed are as follows:

- Capital Projects
- Public Utilities Commission
- Hetch Hetchy
- Water
- Municipal Railway
- Department of Public Works
- Municipal Court: Traffic and Parking
- Police: Traffic and Parking Control Only
- Parking Authority/Parking and Traffic Commission

3. As requested, the Budget Analyst has prepared specific information for each department to be reviewed. Based on detailed expenditure and revenue reports provided by the Controller's Office, the Budget Analyst has compiled revised revenue budgets as of February 16, 1990 and revised expenditure budgets as of January 31, 1990 for each department. The revised revenue and expenditure budgets are compared to the current revenue and expenditure projections such





reflects a favorable revenue projection and a negative amount reflects an unfavorable projection.

4. New position information is provided based upon (a) the number of new positions authorized in the fiscal year 1989-90 budget and (b) any supplemental appropriations to date that have authorized new positions. The actual number of positions filled for each department is identified. Any difference between the number of positions authorized and the number of positions filled would reflect the number of vacant positions.

5. The amount of total grant funds for each department is not readily available. The budget analyst is in the process of identifying and summarizing departmental grant data for inclusion in reports to the Finance Committee during the June budget review process.

6. The Budget Analyst has provided a summary of the total amount of supplemental appropriations that have been approved by the Board of Supervisors for these departments thus far in fiscal year 1989-90.

7. As previously reported with regard to the questions as to how the Board of Supervisors might structure and/or require regular and routine evaluation of City programs and functions, the Board of Supervisors could structure and/or require regular and routine evaluation of City programs and functions through a formalized system of program and function reviews. Such program and function reviews could involve a scheduled department by department, program by program and function by function evaluation. These reviews would include evaluations in order to insure that such programs and functions are achieving the goals established by the Board of Supervisors at the time of funding.





## CAPITAL PROJECTS

	<b><u>1989-90 BUDGET</u></b>
General Fund	\$11,027,615
MUNI	<u>1,600,000*</u>
Subtotal - General Fund	\$12,627,615
Off Street Parking	110,000
Open Space & Park Renovation	8,834,336
Candlestick	4,853,000
Marina Yacht Harbor	400,000
Special Rec Park Rev	460,000
Convention Facilities	1,214,500
Yerba Buena Center	3,078,571
War Memorial	2,826,800
Airport Cap Improvements	2,736,170
Building Inspection Fund	40,000
Airport	1,950,000
Water	22,428,140
Hetch Hetchy	18,117,000
SF Harbor/Port	912,000
Clean Water	<u>6,077,700</u>
TOTAL	\$86,665,832

\* Safe Harbor Lease Proceeds.

<b><u>Supplemental Appropriation</u></b>	<b><u>Requested</u></b>	<b><u>Approved</u></b>
Clean Water, Design of Islais Creek Transport Storage Facilities (Sewer Revenue Bonds)	\$ 4,000,000	\$ 4,000,000
Clean Water, Oceanside Water Pollution Control Plant (Sewer Revenue Bonds)	206,258,664	206,258,664
MUNI, various projects (Transit Impact Development Fees)	2,750,000	2,750,000
Sheriff, various capital improvement projects (General Fund Reserve for Public Safety)	2,250,0000	11,250,000
Sheriff, various jail maintenance projects (General Fund)	2,179,000	2,179,000
Public Library, various capital improvement projects (Library Improvement Bonds)	11,366,423	11,366,423
Public Works, various street reconstruction and renovation projects (Street Improvement Bonds)	12,000,000	12,000,000

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



<u>Supplemental Appropriation</u>	<u>Requested</u>	<u>Approved</u>
Public Health, Community Mental Health Forensic, Hall of Justice Jail #1 (General Fund)	\$ 71,000	\$ 71,000
Public Works, Adopt-A-Tree Program (Gift funds)	5,000	5,000
Chief Administrative Officer, Seismic Retrofit Program (General Fund)	79,300	79,300
Clean Water Program, Environmental Impact Report on Richmond Transport Project (Sewer Revenue Bonds)	215,000	215,000
Public Works, various capital improvements (Earthquake Safety Bonds)	1,572,834	1,572,834
New City office building and Civil Courts facility (General Fund)	25,500	12,750
Clean Water, Air Toxics Projects (Clean Water Funds)	595,089	595,089



## PUBLIC UTILITIES COMMISSION

### REVENUES

REVISED REVENUE BUDGET	CURRENT REVENUE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
-0-	-0-	-0-

### EXPENDITURES

REVISED EXPENDITURE BUDGET	CURRENT EXPENDITURE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$26,902,309	\$25,949,815	\$952,494

### NEW POSITIONS

Fiscal Year 1989-90 Budget	2
Supplemental Appropriations	0
Total Departmental Positions	326
Departmental Positions Filled	297

### SUPPLEMENTAL APPROPRIATIONS

REQUESTED BY DEPARTMENT	APPROVED BY BOARD
-0-	-0-

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



## HETCH HETCHY

### REVENUES

REVISED REVENUE BUDGET	CURRENT REVENUE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$89,180,000	\$71,032,531	\$(18,147,469)

### EXPENDITURES

REVISED EXPENDITURE BUDGET	CURRENT EXPENDITURE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$66,646,338	\$58,201,938	\$8,444,400

### NEW POSITIONS

Fiscal Year 1989-90 Budget	1
Supplemental Appropriations	-0-
Total Departmental Positions	185
Departmental Positions Filled	184

### SUPPLEMENTAL APPROPRIATIONS

REQUESTED BY DEPARTMENT	APPROVED BY BOARD
-0-	-0-

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





## WATER

### REVENUES

REVISED REVENUE BUDGET	CURRENT REVENUE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$86,013,500	\$72,324,482	(\$13,689,018)

### EXPENDITURES

REVISED EXPENDITURE BUDGET	CURRENT EXPENDITURE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$62,917,076	\$60,323,839	\$2,593,240

### NEW POSITIONS

Fiscal Year 1989-90 Budget	12
Supplemental Appropriations	-0-
Total Departmental Positions	510
Departmental Positions Filled	482

### SUPPLEMENTAL APPROPRIATIONS

REQUESTED BY DEPARTMENT	APPROVED BY BOARD
-0-	-0-

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



## MUNICIPAL RAILWAY

### REVENUES

REVISED REVENUE BUDGET	CURRENT REVENUE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$251,371,962	\$251,371,962	-0-

### EXPENDITURES

REVISED EXPENDITURE BUDGET	CURRENT EXPENDITURE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$251,371,962	\$246,213,797	\$5,158,165

### NEW POSITIONS

Fiscal Year 1989-90 Budget	66
Supplemental Appropriations	-0-
Total Departmental Positions	3,316
Departmental Positions Filled	3,293

### SUPPLEMENTAL APPROPRIATIONS

REQUESTED BY DEPARTMENT	APPROVED BY BOARD
-0-	-0-



## DEPARTMENT OF PUBLIC WORKS

### REVENUES

	REVISED REVENUE BUDGET	CURRENT REVENUE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
	\$114,731,000	\$115,442,000	\$711,000

\* Includes Building  
Inspection and Sewer Service  
Charge receipts.

### EXPENDITURES

	REVISED EXPENDITURE BUDGET	CURRENT EXPENDITURE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
	\$100,514,000	\$97,490,000**	\$3,024,000

\*\* The Current Expenditure  
Projection does not include  
earthquake-related  
unbudgeted expenditures  
which are expected to be  
reimbursed by FEMA.

### NEW POSITIONS

Fiscal Year 1989-90 Budget	67
Supplemental Appropriations	-0-
Total Departmental Positions	1,930
Departmental Positions Filled	1,769

### SUPPLEMENTAL APPROPRIATIONS

	REQUESTED BY DEPARTMENT	APPROVED BY BOARD
Moving costs from City Hall to 1170 Market Street	\$153,400	\$153,400

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



## MUNICIPAL COURT: TRAFFIC AND PARKING

The Municipal Court's traffic and parking accounts are not readily identifiable because they are integrated with the Municipal Court's budget accounts. The information below is based upon the cost of specific positions assigned to the Municipal Court's traffic and parking ticket processing operations and associated revenues.

### REVENUES

REVISED REVENUE BUDGET	CURRENT REVENUE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$6,022,855	\$3,230,107	\$(2,792,748)

### EXPENDITURES

REVISED EXPENDITURE BUDGET	CURRENT EXPENDITURE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
\$6,058,812	\$5,876,762	\$182,050

### NEW POSITIONS

Fiscal Year 1989-90 Budget (Work Order Transfers)	11
Supplemental Appropriations	-0-
Total Departmental Positions	93
Departmental Positions Filled	83

### SUPPLEMENTAL APPROPRIATIONS

REQUESTED BY DEPARTMENT	APPROVED BY BOARD
-0-	-0-

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





**POLICE: TRAFFIC AND PARKING CONTROL ONLY**

**REVENUES**

	REVISED REVENUE BUDGET	CURRENT REVENUE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
Parking Meter and parking fine revenues are attributed to the Tax Collector and to the Municipal Court, respectively.	-0-	-0-	-0-

**EXPENDITURES**

	REVISED EXPENDITURE BUDGET	CURRENT EXPENDITURE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
* No data available	\$9,261,263	*	*

**NEW POSITIONS**

Fiscal Year 1989-90 Budget	-0-
Supplemental Appropriations	-0-
Total Departmental Positions	247
Departmental Positions Filled	233

**SUPPLEMENTAL APPROPRIATIONS**

	REQUESTED BY DEPARTMENT	APPROVED BY BOARD
	-0-	-0-

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



## **PARKING AUTHORITY/PARKING AND TRAFFIC COMMISSION**

### **REVENUES**

<b>REVISED REVENUE BUDGET</b>	<b>CURRENT REVENUE PROJECTION</b>	<b>NET VARIANCE FAVORABLE (UNFAVORABLE)</b>
\$8,162,137	\$7,350,000	\$(812,137)

### **EXPENDITURES**

<b>REVISED EXPENDITURE BUDGET</b>	<b>CURRENT EXPENDITURE PROJECTION</b>	<b>NET VARIANCE FAVORABLE (UNFAVORABLE)</b>
\$4,039,225	\$3,869,225	\$170,000

### **NEW POSITIONS**

Fiscal Year 1989-90 Budget	3
Supplemental Appropriations	-0-
Total Departmental Positions	8
Departmental Positions Filled	5

### **SUPPLEMENTAL APPROPRIATIONS**

	<b>REQUESTED BY DEPARTMENT</b>	<b>APPROVED BY BOARD</b>
Capital facilities financial plan	\$18,000	\$18,000

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



**SUMMARY TABLES**

**REVENUES**

DEPARTMENT	REVISED REVENUE BUDGET	CURRENT REVENUE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
Public Utilities Commission	-0-	-0-	-0-
Hetch Hetchy	\$89,013,500	\$71,032,531	\$(18,147,469)
Water	86,013,500	72,324,482	(13,689,018)
Municipal Railway	251,371,962	251,371,962	-0-
Department of Public Works	114,731,000	115,442,000	711,000
Municipal Court: Traffic and Parking	6,022,855	3,230,107	(2,792,748)
Police: Traffic and Parking Control Only	-0-	-0-	-0-
Parking Authority/Parking and Traffic Commission	8,162,137	7,350,000	(812,137)

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



**EXPENDITURES**

DEPARTMENT	REVISED EXPENDITURE BUDGET	CURRENT EXPENDITURE PROJECTION	NET VARIANCE FAVORABLE (UNFAVORABLE)
Public Utilities Commission	\$26,902,309	\$25,949,815	\$952,494
Hetch Hetchy	66,646,338	58,201,938	8,444,400
Water	62,917,076	60,323,839	2,593,240
Municipal Railway	251,371,962	246,213,797	5,158,165
Department of Public Works	100,514,000	97,490,000	3,024,000
Municipal Court: Traffic and Parking	6,058,812	5,876,762-	182,050
Police: Traffic and Parking Control Only	9,261,263	-	-
Parking Authority/Parking and Traffic Commission	4,039,225	3,869,225	170,000

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





## NEW POSITIONS

### Public Utilities Commission

Fiscal Year 1989-90 Budget	2
Supplemental Appropriations	0
Total Departmental Positions	326
Departmental Positions Filled	297

### Hetch Hetchy

Fiscal Year 1989-90 Budget	1
Supplemental Appropriations	-0-
Total Departmental Positions	185
Departmental Positions Filled	184

### Water

Fiscal Year 1989-90 Budget	12
Supplemental Appropriations	-0-
Total Departmental Positions	510
Departmental Positions Filled	482

### Municipal Railway

Fiscal Year 1989-90 Budget	66
Supplemental Appropriations	-0-
Total Departmental Positions	3,316
Departmental Positions Filled	3,293

### Department of Public Works

Fiscal Year 1989-90 Budget	67
Supplemental Appropriations	-0-
Total Departmental Positions	1,930
Departmental Positions Filled	1,769

### Municipal Court: Traffic and Parking

Fiscal Year 1989-90 Budget	11
Supplemental Appropriations	-0-
Total Departmental Positions	93
Departmental Positions Filled	83

### Police: Traffic and Parking Control Only

Fiscal Year 1989-90 Budget	-0-
Supplemental Appropriations	-0-
Total Departmental Positions	247
Departmental Positions Filled	233



**NEW POSITIONS (continued)**

Parking Authority/Parking and Traffic  
Commission

Fiscal Year 1989-90 Budget	3
Supplemental Appropriations	-0-
Total Departmental Positions	8
Departmental Positions Filled	5



**SUPPLEMENTAL APPROPRIATIONS**

<b>DEPARTMENT</b>	<b>REQUESTED BY DEPARTMENT</b>	<b>APPROVED BY BOARD</b>
Public Utilities Commission	-0-	-0-
Hetch Hetchy	-0-	-0-
Water	-0-	-0-
Municipal Railway	-0-	-0-
Department of Public Works	153,400	153,400
Municipal Court: Traffic and Parking	-0-	-0-
Police: Traffic and Parking Control Only	-0-	-0-
Parking Authority/Parking and Traffic Commission	18,000	\$18,000



Item 2a - File 31-90-3

**Department:** Port of San Francisco

**Item:** Resolution approving the immediate filling of a vacant position

**Position:** 1926 Materials and Supplies Supervisor

**Retirement Date:** May 18, 1990

**Normal/Refill Date:** September 26, 1990

**Proposed Refill Date:** July 2, 1990

**Funding Needed:** \$5,788 (60 days @ 96.47 per day)

**Proposed Funding Source:** Surplus from Permanent Salaries

**Description:** Section 10, Subsection 1 of the current Annual Appropriation Ordinance permits immediate filling of a position left vacant due to death or retirement of an incumbent when a lump sum payment is made for accumulated sick leave and/or vacation. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the General Manager, Personnel and the Mayor and approval by resolution of the Board of Supervisors.

**Comments:**

1. The incumbent Materials and Supplies Supervisor will retire effective May 18, 1990 and is due to be paid 719.15 hrs. of accumulated sick leave and vacation time, which would prevent the Department from refilling this position before September 26, 1990. The incumbent was hired prior to June 5, 1978 and therefore is entitled, under the vested sick leave program, to payment for accumulated sick leave.
2. Mr. Benjamin Kutnick of the Port reports that the Materials and Supplies Supervisor position is essential to the Department's daily operations. This position, which has direct supervisory responsibilities for four staff, is responsible for overseeing the Business Services Section of the Port, which provides such services as purchasing, storekeeping, mail delivery, management of the vehicle pool and management of the telephone system for the Port.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Memo to Finance Committee  
May 2, 1990

Item 2b - File 89-90-5

1. The proposed resolution would authorize the enrollment of classification 1950 Assistant Purchaser in the State Disability Insurance (SDI) Program.

2. File 89-90-6 of this report includes the legislation contained in File 89-90-5. Therefore, File 89-90-5 should be tabled.

Recommendation

Table the proposed resolution.



Item 2c - File 89-90-6

1. The proposed resolution would authorize three classifications to enroll in the State Disability Insurance (SDI) Program. The cost of SDI coverage would be paid by the employees through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

2. SDI pays disability benefits to employees who suffer a non-industrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is 0.9% of the first \$25,149 of gross salary for each employee (maximum of \$226.34 annually). While SDI coverage is mandatory for all employees within bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification requests coverage.

3. The following three classifications which are not represented by a bargaining unit would be authorized to enroll in the State Disability Program under this proposed ordinance.

<u>Position</u>	<u>Classification</u>	<u>No. of Employees</u>
1950	Assistant Purchaser	1
1952	Purchaser	16
1956	Senior Purchaser	10

4. The Employee Relations Division reports that it has received an individual letter requesting coverage signed by the Assistant Purchaser and individual letters signed by the majority of employees in the Purchaser and Senior Purchaser classification.

Recommendation

Approve the proposed resolution.



Item 2d - File 101-88-29.1

**Department:** Department of Public Health (DPH)  
Art Commission

**Item:** Request for a release of reserved funds

**Amount:** \$17,000

**Source of Funds:** 1987 Mental Health L-Facility Bond Fund

**Description:** The Department of Public Health is requesting a release of a reserve in the amount of \$17,000 to be used by the Art Commission to offset administrative costs associated with the development of an art enrichment program at the Mental Health nursing facility at San Francisco General Hospital (SFGH). Section 3.13 of the Administrative Code provides that an amount not to exceed 2% of the gross estimated construction costs of a City facility be included in the project budget for purposes of providing "adornment" or art enrichment in the facility. In addition, this Section of the Administrative Code provides that an amount not to exceed 5% of the funds earmarked for art enrichment can be used to defray administrative costs associated with the development of the art enrichment program.

On October 17, 1988, the Board of Supervisors approved a DPH request for a supplemental appropriation in the amount of \$2,459,250 to fund the design work, administration, contingencies and project management for the construction of the Mental Health nursing facility at SFGH (File 101-88-29). The DPH and the Bureau of Architecture provided the following budget for the design work and related costs:

Design

Consulting Architect	\$1,205,000
State Building Permit (1.5% for estimated construction costs of \$20,000,000)	300,000
Site Tests and Inspection	9,250
Art Commission - Administrative Costs (subject of this request)	<u>17,000</u>
Subtotal Design	\$1,531,250

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Administration

Financial Consultant and Bond Counsel for Second Bond Sale (\$23 million to fund construction phase )	\$50,000
DPW Management	420,000
DPH Management	<u>235,000</u>
Subtotal Administration	705,000
<u>Project Contingency</u>	<u>223,000</u>
Total	\$2,459,250

Ms. Phyllis Harding of DPH, reports that construction on the Mental Health nursing facility is scheduled to begin in August of 1991 and it is anticipated that construction of the project would be completed by the end of 1993.

The \$17,000 for the Art Commission was placed on reserve by the Finance pending the submission by the Art Commission of a detailed budget for the administrative costs associated with the art enrichment program.

The Art Commission has submitted the following detailed budget for the administrative costs:

Project Initiation and Concept Development

Includes meetings and consultation with project architects and DPH staff to determine concepts and approaches to the art enrichment program.

Curator II (120 hours @ \$30.84 per hr. - Step I, plus 40 hours @ \$37.37 per hr. - Step V)	\$5,196
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Artist Search and Art Proposal Development

Includes handling publicity for the artist competitions, presentations by Curator of artists' materials, interviews with artists selected as finalists and assistance in the development of the artist's specific proposals for the project, which would include coordination with architects and DPH staff.

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Curator II (160 hours @ \$30.84 per hr. - Step I, plus 20 hours @ \$37.37 per hr. - Step V)	\$5,682
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Contract Negotiation, Preparation and Certification

Curator II (105 hours @ \$30.84 per hr. - Step I, plus 15 hours @ \$37.37 per hr. - Step V)	3,799
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Supervision of Art Work During Fabrication and Installation

Includes periodic studio visits and inspections, preparation of progress reports and coordination of on-site installation with architects, engineers, contractors, insurance companies, and the City's Risk Manager.

Curator II (60 hours @ \$30.84 per hr.)	1,850
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<u>Contingency</u>	<u>473</u>
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Total	\$17,000
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**Recommendation:** Approve the release of the reserved funds in the amount of \$17,000.



Item 2e -File 79-89-5.2

**Department:** Mayor's Office of Community Development (MOCD)  
**Item:** Release a Reserve  
**Amount:** \$19,705  
**Source of Funds:** Community Development Block Grant (CDBG) Funds

**Description:** During the hearing on the 1990 Community Development Program in November of 1989, the Board of Supervisors placed a \$19,705 reserve on funds to conduct technical assistance training sessions for non-profit agency applicants. The purpose of the training sessions is to strengthen the capacity of nonprofit agencies to provide their services to low and moderate income clientele.

To accomplish this purpose, it is the intention of the Mayor's Office of Community Development (MOCD) to contract with two training organizations to provide five workshops, the Support Center (three workshops related to public services) and Asian Neighborhood Design (AND) (two workshops related to neighborhood facility improvements) to be scheduled in May and June of this year. The contractual work would include the cost of conducting the workshops, and follow-up consultation hours, and MOCD overhead costs for facility rental and workshop materials as follows:

**Workshops:**

Support Center: \$595/session with 3 trainers for 3 sessions	\$1,785	
Asian Neighborhood Design (AND) \$350/workshop for two workshops	<u>700</u>	
Subtotal		2,485

**Individual Consultation Hours:**

Support Center: 150 hours @ \$55 per hour	8,250	
AND: 20 consultations at \$340 per consultation	<u>6,800</u>	
Subtotal		15,050

**Facility Rental: \***

\$200 per session for five sessions	1,000
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\* MOCD cost

**BOARD OF SUPERVISORS**  
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<b>Training and Support Materials: *</b>		
Support Center sessions (3 x \$190)	570	
and (2 x \$300)	<u>600</u>	
Subtotal		<u>1,170</u>
Total		\$19,705

\* MOCD cost

**Recapitulation of Costs by Agency:**

MOCD		
Rental and Materials		\$2,170
Consultant Costs		
Support Center	\$10,035	
Asian Neighborhood Design (AND)	<u>7,500</u>	
Subtotal		<u>17,535</u>
Total		\$19,705

The three Support Center sessions would cover fiscal management, board development and resource development including double entry bookkeeping, basic financial statements, payroll procedures, projecting cash flow, reporting formats, nonprofit budgeting, building effective relationships between staff and board, board evaluation and recruitment, and conducting effective board meetings. Also the sessions would provide advice on building a solid foundation for resource development and an effective resource development team, maximizing agency resources, and setting realistic resource development goals.

The two AND workshops would be conducted jointly with MOCD and would assist participating agencies to assess the current and future capital needs of their facilities through a better understanding of building, fire and health code requirements, licensing requirements, seismic safety and evaluation, asbestos assessment and abatement, Section 504 handicapped requirements, program/services expansion considerations, maintenance and repair of facilities, energy conservation, building permit and conditional use processes, pre-application cost estimating and working relationships with architects and contractors.

After the sessions and workshops, MOCD will determine which of the participating agencies would have the greatest need for individual consultation for the available subject funds.

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**Comments:**

1. Mr Bernhard Gunther of MOCD advises that the sessions and workshops would provide technical assistance to approximately 75 agencies for administration and 50 agencies for capital improvement projects.

2. Mr. Gunther also advises that any funds not expended for individual consultation will be returned to the CDBG contingencies which would require Board of Supervisors approval for reprogramming.

**Recommendation:** Approve the proposed release of the reserved funds.





Item 3 - File 25-90-8

**Note:** This item was continued by the Finance Committee at its meeting of April 25, 1990.

**Department:** Department of Social Services (DSS)

**Proposed Action:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Security Guard services at 150 and 170 Otis Street, and 1440 Harrison Street Facilities.

**Description:** The Controller has determined that contracting for these security guard services in fiscal year 1990-91 would result in estimated savings as follows:

	<u>Lowest Salary Step</u>	<u>Highest Salary Step</u>
<u>City Operated Service Costs</u>		
Salaries	\$628,093	\$762,347
Fringe Benefits	188,977	219,520
Operating Expenses	<u>20,000</u>	<u>20,000</u>
Total	\$837,070	\$1,001,867
<u>Contracted Service Cost</u>	<u>588,426</u>	<u>588,426</u>
<u>Estimated Savings</u>	\$248,644	\$413,441

**Comments:**

1. Security guard services were first certified as required by Charter Section 8.3001-1 in 1978 and have been provided by an outside contractor since 1971.
2. The current one-year contract, which expires August 31, 1990, is with Burns International Security Services. The Contracted Service Costs used for purposes of this analysis are the projected costs submitted by Burns International Security Services for the period of September 1, 1990 through August 31, 1991.



Memo to Finance Committee  
May 2, 1990

3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.

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CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department SOCIAL SERVICES 45  
Contract Services SECURITY SERVICES  
For the term starting approximately 09-01-90 through 08-31-91

- 1) Who performed services prior to contracting out?  
It was contracted out since the service was established.
- 2) Number of City employees laid off as a result of contracting out?  
None
- 3) Explain disposition of employees if they were not laid off.  
N/A
- 4) What percent of a City employee's time is spent on services to be contracted out?  
None
- 5) How long have the services been contracted out?  
19 years
- 6) When was the first fiscal year for a Proposition J certification?  
1978
- 7) How will contract services meet the goals of your MBE/WBE Action Plan?  
It will conform with the plan.

  
ROSE CHOW, MANAGEMENT ASSISTANT  
Department Representative

557-5404  
Telephone



Items 4, 5 and 6 - Files 101-89-117, 101-89-118, and 102-89-45

**Departments:** Municipal Court  
Superior Court

**Items:** File 101-89-117 is a request for a supplemental appropriation for permanent salaries and mandatory fringe benefits for salary range adjustments of twenty (20) Court Reporters in the Municipal Court for FY 1989-90; and provides for ratification of action previously taken.

File 101-89-118 is a request for a supplemental appropriation for other personal services-transcripts and fees and other compensation, and for re-appropriating funds for permanent salaries and mandatory fringe benefits for salary adjustments for twenty-nine (29) Phonographic Reporters in the Superior Court for FY 1989-90; and provides for ratification of action previously taken.

File 102-89-45 is the companion legislation that would amend the Annual Salary Ordinance to provide a salary increase for the Court Reporters and Phonographic Reporters in the Municipal and Superior Courts, respectively, effective November 1, 1989.

**Amount:** \$30,800 (Municipal Court, File 101-89-117)  
\$596,145 (Superior Court, File 101-89-118)

<b>Source of Funds:</b>	General Fund-General Reserve (for Municipal Court)	\$30,800
	General Fund-General Reserve (for Superior Court)	554,255
	Re-appropriation of permanent salaries and mandatory fringe benefits (for Superior Court)	41,890

**Description:** The proposed supplemental appropriation would fund salary increases for Court Reporters and Phonographic Reporters in the Municipal and Superior Courts, respectively, pursuant to Section 70050.5 of the State Government Code and provide funds to cover a projected shortfall in the Superior Court's budget for other personal services and transcripts and fees and other compensation.

Section 70050.5 of the State Government Code requires that the salary levels of San Francisco Court Reporters in the Municipal Court and Phonographic Reporters in the Superior Court be tied to the salary levels of Court Reporters employed by Los Angeles County. On February 27, 1990, Los Angeles County granted a pay increase of 3.5 percent to its Court Reporters, effective November 1, 1989. This legislation

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would amend the Annual Salary Ordinance to increase the salary range of Court Reporters and Phonographic Reporters in the Municipal and Superior Courts in San Francisco and adjust their salaries accordingly. Salary increases would be given retroactive to November 1, 1989.

The corresponding amendment to the Annual Salary Ordinance would read:

	<u>Delete</u>	<u>Add</u>	<u>Monthly Compensation</u>	<u>Annual Salary Range</u>
Phonographic Reporter, Superior Court	29		\$3,412 - 4,465	\$40,944 - \$53,580
Phonographic Reporter, Superior Court		29	3,531 - 4,622	\$42,372 - \$55,464
Court Reporter, Municipal Court	20		\$3,412 - 4,465	\$40,944 - \$53,580
Court Reporter, Municipal Court		20	3,531 - 4,622	\$42,372 - \$55,464

The Municipal Court has requested \$30,800 to fund the salary adjustments for their Court Reporters.

The Superior Court has sufficient funds budgeted to pay for the estimated \$41,890 in salary increases for their permanent Phonographic Reporters. However, the Superior Court has requested additional funds to pay for the corresponding salary increases of pro-tem Phonographic Reporters used on an as-needed basis in the Superior Court. These expenditures are outlined below.

The Superior Court has requested \$554,255 to cover anticipated deficits due to increased expenses for fees and other compensation, as well as for transcriptions. Fees and other compensation includes fees for court appointed attorneys in criminal, juvenile delinquency and dependency, and conflict cases, fees for attorneys staffing probable cause hearings, fees for interpreters, and compensation for grand juries, expert witnesses, psychiatrists, visiting judges, and other consultants in court cases. In addition, the pro-tem Phonographic Reporters are paid out of fees and other compensation. During FY1988-89, the Department spent \$3,533,923 for fees and other compensation. For FY 1989-90, the Department estimates that expenditures on fees and other compensation will reach \$4,206,555, an increase of \$672,632 over FY1988-89, and \$543,970 more than the budgeted amount of \$3,662,585. For transcription services, the Superior Court spent \$339,580 during FY1988-89. For FY 1989-90, the Department estimates that expenditures on transcription will be \$360,285, an increase of \$20,705 over FY1988-89, and \$10,285 more than the budgeted amount of \$350,000.

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Ms. Virginia MacCubbin of the Superior Court states that the estimated increase in expenditures is due to increases in the amount of time needed to resolve court cases, and increases due to the assumption of attorney staffing for juvenile dependency cases and probable cause hearings once funded by the Public Defender's Office.

**Comments – Municipal Court:**

1) Based upon revised budget and seven-month expenditure data provided by the Controller's Office, the Municipal Courts will have a projected surplus of approximately \$575,784 in permanent salaries and fringe benefits. Mr. George Lum of the Municipal Courts states that the Municipal Court may need these surplus funds to pay for increased Court-appointed attorney fees. Mr. Lum reports that the Municipal Court Judges authorized a 28.5 percent increase in hourly fees from \$35 per hour to \$45 per hour for Court-appointed attorneys, effective January 1 of 1990. The 28.5 percent increase was authorized because the Court-appointed attorneys had not received a rate increase in five years. He estimates that the Court-appointed attorney fees would cost \$210,000, and that the estimated cost may be higher, depending on the Court's actual caseload. If these professional service costs are significantly higher, the Municipal Court may be requesting additional funds at a later date. Mr. Lum further reports that the surplus funds would also be needed to fill 18 Deputy Clerk positions left vacant because of the absence of a Civil Service promotional examination. Civil Service is in the process of administering the examination and compiling hiring lists. Assuming the Municipal Court were able to fill the positions before the end of the fiscal year, the Budget Analyst has calculated the Municipal Court's need for funding as follows:



Budget - Perm. Misc. Salaries	\$10,761,824
Budget - Mandatory Fringe Benefits	<u>2,553,231</u>
TOTAL - Budgeted Salaries & Fringe Benefits	13,315,055
Projected salaries and fringe benefits (pay-period ending 2/2/90)	<u>12,739,271</u>
Projected Surplus	\$575,784
Salary adjustments for Municipal Court reporters from this supplemental request (includes permanent salaries and mandatory fringe benefits)	\$30,800
Projected expense increase for Court- appointed attorneys (funds would be reappropriated to Professional Services)	210,000
Projected expense for filling vacant Deputy Clerk positions from results of promotional examinations (one month salary and fringe benefits expenditure)	<u>48,880</u>
Estimated additional expenditures including salary adjustments	\$289,680
Estimated surplus after accounting for additional expenditures	<u>286,104</u>
Projected need of Municipal Court	<u>\$ 0</u>

The projected surplus should be sufficient to fund the salary increases for the Court Reporters in the Municipal Court, in addition to other anticipated costs specified by Mr. Lum. Therefore, the requested amount of \$30,800 is not needed. In order to reflect proper accounting, the Controller's Office has advised that the existing amounts of permanent salaries and fringe benefits totalling \$30,800 must be re-appropriated to permanent salaries and fringe benefits in accordance with the salary schedule change.

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**BUDGET ANALYST**



**Comments - Superior Court:**

2) The Superior Court has based their projected need for additional funding on eight-month expenditure information. Our review of the Superior Court's expenditures indicates that their expected need, with the exception of expenditures for pro-tem Phonographic Reporters, is reasonable. The Superior Court's projected expenditure for pro-tem Phonographic Reporters is overstated by \$33,441 as follows:

Superior Court projected expenditures for pro-tem Phonographic Reporters	\$563,871
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Actual expenditures on pro-tem Phonographic Reporters as of 2/28/90	\$317,566
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Projected expenditures to 6/30/90 including 3.5 percent pay increase as explained above (assumes expenditure of 20,977 per pay period reported by Department)	206,256
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Estimated retroactive pay from Nov. 1, 1989 because of 3.5 percent increase (9 pay periods)	<u>6,608</u>
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Total estimated expenditures for pro- tem Phonographic Reporters	<u>\$530,430</u>
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Amount not needed	<u><u>\$33,441</u></u>
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As summarized above, the requested amount should be reduced by \$33,441 from \$596,145 to \$562,704 to accurately reflect estimated expenditures for FY 1989-90.





**Recommendations:** 1) Amend the Supplemental Appropriation Request for the Municipal Court (File 101-89-117) by eliminating the requested amount of \$30,800 for salary adjustments for Court Reporters of the Municipal Court, and re-appropriating existing funds from salaries and fringe benefits as follows:

	<u>Original Supplemental Appropriation</u>	<u>Recommended Changes</u>	<u>Amended Supplemental Appropriation</u>
<u>Source of Funds:</u>			
General Fund Reserve	(\$30,800)	\$30,800	\$0
Permanent Salaries	0	(26,783)	(26,783)
Retirement-City	<u>0</u>	<u>(4,017)</u>	<u>(4,017)</u>
	(30,800)	0	(30,800)
<u>Use of Funds:</u>			
Permanent Salaries	26,783	0	26,783
Retirement-City	<u>4,017</u>	<u>0</u>	<u>4,017</u>
	\$30,800	\$0	\$30,800

As shown above, the recommendation eliminates the need to use \$30,800 in General Fund monies.

2) Amend the Supplemental Appropriation Request for the Superior Court (File 101-89-118) by reducing the requested amount of \$596,145 by \$33,441 to \$562,704, as noted in Comment No. 2 above, and represented on the following page:



	<u>Original Supplemental Appropriation</u>	<u>Recommended Changes</u>	<u>Amended Supplemental Appropriation</u>
<u>Source of Funds:</u>			
General Fund Reserve	(\$554,255)	\$33,441	(\$520,814)
Permanent Salaries	(36,424)	0	(36,424)
Retirement—City	<u>(5,466)</u>	<u>0</u>	<u>(5,466)</u>
	(596,145)	33,441	(562,704)
<u>Use of Funds:</u>			
Permanent Salaries	36,424	0	36,424
Retirement—City	5,466	0	5,466
Other Personal Services— Transcripts	10,285	0	10,285
Fees and other Compensation	<u>543,970</u>	<u>(33,441)</u>	<u>510,529</u>
	\$596,145	(33,441)	\$562,704

The recommendation results in a reduction of \$33,441 in the Fees and other Compensation account, and reduces the need for \$33,441 in General Fund monies.

3) Approve the amendment to the Annual Salary Ordinance (File 102-89-45).



Item 7 -File 101-89-121

**Department:** Recreation and Park Department (RPD)

**Item:** Supplemental Appropriation Ordinance

**Amount:** \$3,000

**Source of Funds:** Open Space Fund - Unappropriated Revenue Reserved in the FY 1989-90 Budget for a Youth Boxing Program (Total of \$20,000 Reserved)

**Purpose:** To purchase equipment for a new boxing program at the Milton Meyer Recreation Center.

**Description:** During the 1989-90 budget hearings in June, 1989, the Board of Supervisors placed \$20,000 in Open Space Funds on reserve for a Youth Boxing Program. The RPD, in conjunction with the Police Athletic League, is proposing to institute a new boxing training program at the Milton Meyer Recreation Center located in the Bay View/Hunters Point area for youths between the ages of seven and 14 years. The RPD would use existing staff to operate this new program, which the RPD estimates would serve approximately 20 to 30 youths.

The proposed supplemental appropriation would fund the purchase of boxing equipment for the start-up of this program, as follows:

	<u>No. of Units</u>	<u>Price per Unit</u>	<u>Total Cost</u>
Boxing Headgear	6	\$75	\$450
Boxing Gloves (fingerless)	10 pr.	50	500
Heavy Bag	2	400	800
Speed Bag	2	210	420
Leather Gloves	15 pr.	25	375
Mouth Piece	100	1	100
Boxing Cups (protectors)	10	20	200
Boxing "Round Timer"	1	155	<u>155</u>
Total			\$3,000

**Comments:** 1. According to Mr. John Madden of the Controller's Office, an Amendment of the Whole, to be submitted in Committee, has been prepared that would transfer the funds out of the Open Space Fund and into the Recreation and Park Department's Special Revenue Fund.

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Mr. Prindle states that the RPD had requested that the proposed boxing program be funded from the unappropriated surplus in RPD's Special Revenue Fund. Mr. Prindle states that the Open Space Fund may not be an appropriate source of funds for the proposed program and that the Open Space Advisory Committee has not yet reviewed the proposed use of Open Space Fund monies. However, at its meeting on January 18, 1990, the Recreation and Park Commission approved the proposed \$3,000 supplemental appropriation for a boxing program.

Mr. Madden states that the \$20,000 reserved for the Youth Boxing Program was reserved by the Board of Supervisors from the Open Space Fund and therefore it would appear the proposed Youth Boxing Program should be funded from that source. Mr. Madden indicates that the Amendment of the Whole would allow the program to be funded out of the Special Revenue Fund in response to RPD's concerns, but would use the Open Space Fund Reserve for Youth Boxing Program as the source of funds. The Budget Analyst concurs that the proposed supplemental appropriation should be funded with Open Space monies reserved for the Youth Boxing Program.

2. In December, 1989, the Board of Supervisors approved \$23,150 in Police Narcotics Forfeiture and Asset Seizure Fund monies for Police overtime salaries and materials and supplies to initiate a Police Athletic League (PAL) youth boxing program at several locations. One of the PAL boxing program locations is at the Milton Meyer Recreation Center. Mr. Joel Robinson, Superintendent of Recreation at RPD, reports that the RPD plans to operate their boxing program jointly with the PAL, with RPD providing one coach (an existing staff person) and the equipment, and the PAL providing additional coaches and equipment.

3. Mr. Robinson indicates that the RPD previously had a volunteer, non-City employee operating a RPD youth boxing program at the Milton Meyer Recreation Center. Mr. Robinson reports that the boxing program was discontinued due to RPD concerns for potential liabilities involving the volunteer coach. Mr. Robinson indicates that the equipment that was used previously was the property of the volunteer coach and is no longer available to the RPD.

4. Mr. Robinson indicates that the RPD is in the process of coordinating further details of the boxing program with the PAL.

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5. Mr. Prindle states that the RPD has no plans to request any additional supplemental appropriations in FY 1989-90 for the remaining \$17,000 of the \$20,000 Open Space Fund Reserve for Youth Boxing Program. The \$17,000 would remain in the reserve account and is subject to further appropriations to be approved by the Mayor and the Board of Supervisors.

**Recommendation:** Approve the proposed Amendment of the Whole.



Memo to Finance Committee  
May 2, 1990

Item 8 - File 101-89-122

**Department:** Recreation and Park Department (RPD)

**Item:** Supplemental Appropriation Ordinance

**Amount:** \$51,000

**Source of Funds:** Open Space Fund - Unappropriated Revenue

**Description:** The proposed Supplemental Appropriation Ordinance would fund increased costs for administering the outstanding stadium bonds for FY 1989-90.

**Comment:** The Department has requested that this item be tabled because the additional funds are no longer required.

**Recommendation:** Table the proposed item as requested by the Department.

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Items 9 and 10 - File 101-89-124 and 102-89-46

**Department:** Juvenile Probation Department

**Item:** Item 9 (File 101-89-124) is a proposed supplemental appropriation ordinance funding permanent salaries and related mandatory fringe benefits and fees and other compensation for the creation of eight positions; funding other current expenses, and materials and supplies; and rescinding funds from permanent salaries. Item 10 (File 102-89-46) is the companion ordinance amending the Annual Salary Ordinance to reflect the establishment of one Secretary to the Juvenile Probation Commission and seven Juvenile Probation Commission positions.

**Amount:** \$7,921

**Source of Funds:** Existing budgeted permanent salaries, Juvenile Probation Department.

**Description:** Proposition L, approved by San Francisco voters in November, 1989, established the Juvenile Probation Commission, consisting of seven Commissioners, and a separate Juvenile Probation Department. The ballot measure also provided that the Juvenile Probation Commission could appoint one Civil Service exempt secretary to the Commission, and established the compensation to the Commissioners at \$25 per meeting, not to exceed \$100 per month.

On February 23, 1990, the Mayor appointed seven Commissioners to the Juvenile Probation Commission. At its meeting of March 28, 1990, the Juvenile Probation Commission formally requested the creation of the Commission Secretary position.

The Commission Secretary position as well as the seven Commissioner positions would be added as follows:

<u>Position</u>	<u>Add</u>	<u>Salary Range</u>	<u>Annual Compensation</u>
Secretary, Juvenile Probation Commission	1	\$1,342-\$1,626	\$34,892-\$42,276
Juvenile Probation Commissioner	7	\$25.00/meeting (2 meetings/month)	\$600

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Proposed expenditures are as follows:

Permanent Salaries (3.5 pay periods)	\$4,697
Mandatory Fringe Benefits	<u>1,314</u>
Subtotal Salaries and Fringe Benefits	6,011
 Fees and other Compensation, Commissioners (8 meetings @ \$25 per meeting multiplied by 7 Commissioners)	 1,400
Other Current Expenses	300
Materials and Supplies	<u>210</u>
Total	\$7,921

The Juvenile Probation Department has requested funding of \$300 for a security guard (Other Current Expenses) at the Commission meetings, and \$210 for business cards (Materials and Supplies) for the Commissioners. The Health Commission requires the use of a security guard in Room 300, 101 Grove, where the Juvenile Probation Commission conducts its meetings.

**Comments:**

1. The Commission and the Mayor's Office have requested that the Secretary's position be filled through this supplemental and amendment to the Annual Salary Ordinance rather than waiting for the 1990-91 budget, because the workload of the Commission meetings is significant and hiring a Commission Secretary immediately would relieve the burden on existing Juvenile Probation clerical staff. Ms Jean Bailey of the Juvenile Probation Department states that the existing Juvenile Probation staff cannot accommodate the workload imposed by the new Commission's activities, which has included recording and transcribing the minutes, preparing meeting agendas and records, circulating meeting material to each Commissioner, and assisting the Commission in establishing its own procedures.

2. At this late time of the fiscal year, the Budget Analyst would normally recommend not approving the proposed supplemental appropriation and instead recommend waiting for the 1990-91 budget to address the need for the Commission Secretary. However, because the Department is requesting that existing surplus budgeted funds in Permanent Salaries be reappropriated to fund the Commission Secretary position through the end of the fiscal year, and since the Commission

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Secretary position is provided for by Proposition L, the proposed supplemental appropriation is justified.

3. Ms. Bailey reports that the Commission will meet eight times in this fiscal year, including two meetings in March and two in April that occurred prior to the submittal of this legislation before the Board of Supervisors. Therefore, the proposed legislation should be amended to provide for action previously taken.

4. Mr. Monte Mansir of the Civil Service Commission staff reports that the Classification A108 for the Secretary, Juvenile Probation Commission, is incorrectly reported as Classification A101 in the amendment to the Annual Salary Ordinance (Item 10 - File 102-89-46).

- Recommendations:**
1. Amend the proposed supplemental appropriation ordinance to provide for action previously taken. Approve the proposed supplemental appropriation as amended.
  2. Amend the proposed amendment to the Annual Salary Ordinance to change the incorrect A101 Classification for the Secretary, Juvenile Probation Commission to the correct A108 Classification, and approve the Annual Salary Ordinance as amended.



Item 11 - File 101-89-125

**Department:** Juvenile Court

**Item:** Supplemental Appropriation Ordinance to provide the Juvenile Court \$392,163 for various facilities maintenance projects and professional services.

**Amount:** \$392,163

**Source of Funds:** General Fund - General Reserve

**Description:** The proposed supplemental appropriation ordinance would fund \$375,663 for repairs at Juvenile Hall which are considered either emergency maintenance items or which are in response to avoiding sanctions which might be imposed in the immediate future by the California Youth Authority (CYA), and \$16,500 for professional services which would fund a hydrological study associated with determining the City's rights to take water from Mendego Creek for the Log Cabin Ranch School. The details of the component costs are as follows:

**Juvenile Hall:**

Ongoing repairs - replenish Facilities Maintenance Project budget fund which was used for emergency repairs:

Work order to DPW Bureau of Building	
Repair	\$30,000
Replacement hardware and temporary hiring of 1 Class 7334 Engineer and 1 Utility Worker	<u>10,000</u>
Subtotal	\$40,000
Repair and paint the interior and kitchen of Juvenile Hall - to avoid California Youth Authority (CYA) sanctions, work must be completed by 10/90.	192,163
Replace light fixtures (required by CYA as a safety issue).	95,000
Replace vent screens (required by CYA to correct a suicide hazard).	26,000

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Install vandalproof windows in response to  
breakout of existing windows and several  
hanging attempts associated with current  
windows. \$22,500

Total for Juvenile Hall \$375,663

**Log Cabin Ranch School:**

City Attorney Work order - Hydrological study.  
needed to protect City rights to take water  
from Mendego Creek. The City Attorney needs  
the study to help establish a claim to prescriptive  
rights to the water. 16,500

Total Juvenile Court (this Legislation) \$392,163

**Comments:**

1. A total of \$40,000 would replenish the Facilities Maintenance budget fund which had been depleted of \$42,000 for three emergency projects creating a shortfall in the fund. The three emergency projects included \$17,000 for a heating and ventilation maintenance study, \$21,300 for repairs in Building W3, and \$3,700 for emergency asbestos work. These special uses of the Facilities Maintenance Project fund were approved by the Mayor's Office.

2. Ms. Jeanne Bailey of the Juvenile Court advises that the \$16,500 set aside for the hydrological study would only cover an initial phase of the technical work needed by the City Attorney. Therefore, additional funds might be needed in the future if the results of the initial phase calls for additional analyses.

3. Deputy City Attorney Tom Berliner advises that a review of qualified hydrologists has been completed and that a consultant would be selected after a review and approval per MBE/WBE requirements by the Human Rights Commission.

4. Based on current estimates provided by DPW Bureau of Building Repair, an additional \$12,745 would be needed to complete the replacement of vent screens and an additional \$12,866 would be needed to complete the replacement of light fixtures, both in Juvenile Hall. The total of these two additional costs is \$25,611 which is not provided for in this legislation.

**Recommendation:** Approve the proposed supplemental appropriation.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 12 - File 170-90-4

**Department:** Mayor's Office of Housing (MOH)

**Item:** Proposed resolution to authorize the Mayor to execute an agreement cancelling the City and County of San Francisco 1982 mortgage revenue bonds involving four residential hotels, assigning the bond loan documents, and releasing claims.

**Amount:** \$6,500,000

**Description:** In 1982, the Board of Supervisors approved Resolution No. 786-82 authorizing the City to issue \$6.5 million in mortgage revenue bonds for the acquisition and rehabilitation of four residential hotels in the North of Market area by the San Francisco Residential Hotels (SFRH) and the North of Market Planning Coalition (NOMPC), a limited partner responsible for oversight and monitoring the performance of SFRH. The four hotels were purchased as part of a U. S. Department of Housing and Urban Development (HUD) Urban Development Action Grant (UDAG) and contributions from the City's Community Development Block Grant (CDBG) Program and the Fillmore UDAG as follows:

1982 Multi-Family Mortgage Revenue Bonds	\$6,500,000
UDAG (B-81-AA-06-0027)	2,538,000
CDBG Housing Site Acquisition Pool	1,000,000
Fillmore UDAG (B-81-AA-06-0031)	<u>1,343,000</u>
Total	\$11,381,000

The four hotels totalling 457 single room occupancy (SRO) units are :

	<u>No. of Units</u>
William Penn Hotel, 160 Eddy Street	106
Ritz Hotel, 216 Eddy Street	100
Hamlin Hotel, 385 Eddy Street	76
Dalt Hotel, 34 Turk Street	<u>175</u>
Total	457

At the present time, the Mayor's Office of Housing (MOH) is recommending a restructuring of the original agreement pertaining to the acquisition, financing and operation of the UDAG Hotels from the San Francisco Residential Hotels (SFRH) to a joint venture of the Chinese Community Housing Corporation (CCHC) and the Tenderloin Neighborhood Development Corporation (TNDC), entitled the North of Market Development Corporation (NOMDC). NOMDC would be a new corporation and would have no ties with the

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development corporation formed by the North of Market Planning Coalition (NOMPC) as part of the original agreement to be a limited partner. According to MOH, the existing purchase of four hotels is now in default and has been poorly managed by SFRH. In this regard, NOMDC has filed a notice of default against SFRH alleging a breach of the loan agreement.

The proposed agreement to restructure the transaction of the UDAG Hotels would require the SFRH to transfer the hotels to the joint venture and become a limited partner to the transaction. The new entity would be a limited partnership, entitled Tenderloin Hotels, having the new NOMDC as sole general partner and SFRH as sole limited partner. In 1997, SFRH would receive the Dalt Hotel and the two non-profits would receive the remaining three hotels, William Penn, Ritz and Hamlin Hotels.

The trustee (Bank of America) would forgive all payments in arrears, and would allow the new NOMDC to prepay the remaining loan for roughly half of the principal amount. The loan write down represents a reduction of more than \$2.5 million in principal and \$2 million in past interest waived. The City would loan \$2.7 million in Federal funds from current and prior year CDBG funds (\$1.5 million reprogrammed from a reserve of funds for the International Hotel, \$500,000 from the CDBG Site Acquisition Pool and \$700,000 from the CDBG Community Housing Rehabilitation Program), to assist with the acquisition (\$2,270,108) and to fund part of rehabilitation cost (\$429,892). In addition to the City funding, the project is also receiving a California Housing Rehabilitation Program loan of \$7,162,000 for acquisition and rehabilitation, and will receive Section 8 Moderate Rehabilitation rental assistance contracts for approximately 158 units of the total 457 SRO units in the four hotels. As a condition for receiving Section 8 units, HUD is requiring that the acquisition and rehabilitation of the hotels be completed by December 31, 1990.

As part of the proposed restructure, upon the receipt of acquisition payments from Tenderloin Hotels, the new limited partnership, the bondholders will transfer the bonds to Tenderloin Hotels and Tenderloin Hotels will, in turn, transfer the bonds to the City. At that time, the City will assign its rights under the Bond Loan Documents to NOMDC, the City will be released from all liability in connection with the bonds and the related loan documents, and the City will release SFRH from all claims under the Bond Loan Documents.

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A recapitulation of the additional funds from State and local resources needed to facilitate the proposed restructuring agreement are as follows:

Transfer of International Hotel Reserve (CDBG funds)	\$1,500,000
CDBG Housing Site Acquisition Pool	500,000
CDBG Community Housing Rehab Program	700,000
State of California Housing Rehab. Program	<u>7,162,000</u>
Total	\$9,862,000

**Comments:**

1. A separate resolution which would approve the transfer of \$1.5 million reserved for the International Hotel acquisition to assist in the proposed restructuring of the Tenderloin Hotels should be reviewed concurrently with the subject legislation. The proposed restructuring of the Tenderloin Hotels is dependent in part upon Board of Supervisors approval of the transfer of reserves from the International Hotel.

2. In regard to the International Hotel, the Mayor's Office of Housing has identified \$3,000,000 of Hotel Tax funds which can be committed to the International Hotel project. According to Mr. Brad Paul, Deputy Mayor for Housing and Neighborhoods, the International Hotel project is now planing to sell low-income housing tax credits and under those circumstances it would be preferable to use local funds.

3. The Budget Analyst notes that the proposed new limited partnership would include SFRH as sole limited partner, who previously served as the General Partner.

4. The Budget Analyst has requested the Mayor's Office of Housing (MOH) to provide a written statement as to what measures were taken by NOMPC, the limited partner in the current partnership for the UDAG Hotels, and MOH, to monitor and assist the SFRH to meet its obligations to operate and maintain the four hotels in the Tenderloin and therefore, prevent the default by SFRH. In 1985, CDBG Housing Site Acquisition Funds were provided to the NOMPC for salaries and overhead to assist NOMPC with their responsibilities to monitor the UDAG Hotels project.

5. As the proposed legislation is dependent upon the transfer of an existing reserve of funds for the International Hotel, it is proposed that final action on the subject legislation await the companion International Hotel legislation so that both

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items can be heard concurrently. The Mayor's Office of Housing and the City Attorney's Office concur with this.

**Recommendation:** Continue the proposed resolution one week to enable the proposed legislation to be heard concurrently with the proposed \$1.5 million transfer of the International Hotel reserve funds.



Item 13 - File 51-90-1

This item transmits the claims of various City employees for reimbursement for personal property damaged and/or stolen in the line of duty. The attached report lists the Controller's recommended reimbursements of 14 warrants to 13 City employees, at a total cost of \$2,314.40.

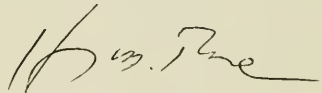
Comments

1. The Controller has requested that the proposed claim of Willie D. Eashman, Municipal Railway, be severed from the list, because the claim was inappropriately filed. The Controller reports that Mr. Eashman's claim will be sent to the proper department for processing. Mr. Eashman's claim is not included in the recommended reimbursement amount of \$2,314.40.

2. The Controller has prepared a resolution which would authorize the payment of claims made by City employees for the cost of their personal property which has been damaged or stolen in the line of duty at a total cost of \$2,314.40.

Recommendation

Sever the proposed claim of Willie D. Eashman from the Controller's list of claims and prepare in and report out the proposed resolution.



Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey





File No. 51-90-1

REIMBURSEMENT FOR DAMAGED OR STOLEN PERSONAL PROPERTY OF CITY EMPLOYEE

April 2, 1990

<u>Department/ Claimant</u>	<u>Item</u>	<u>Amount Claimed</u>	<u>Amount Recommended</u>
<u>DEPARTMENT OF PUBLIC HEALTH</u>			
Ed Cosentino	Broken Eyeglasses and Coffee Cup	\$ 28.95	\$ 28.95
<u>DEPARTMENT OF PUBLIC HEALTH, HEALTH CENTER II</u>			
Elizabeth Thornley	Damaged Automobile	486.89	486.89
Penelope Tishma	Damaged Automobile	165.00	165.00
Maranda Loo	Damaged Automobile	69.34	69.34
Elizabeth Thornley	Damaged Automobile	640.35	500.00
<u>DEPARTMENT OF PUBLIC HEALTH, SAN FRANCISCO GENERAL HOSPITAL</u>			
Michael Field	Broken Watch	50.00	25.00
Alisito Baybayan	Broken Watch	60.00	60.00
Robertta Cunningham	Stolen Medical Kit	383.00	163.00
Thomas Reichert	Broken Watchband	65.00	65.00
John McGuire	Ophthalmoscope	162.80	140.00
<u>MUNICIPAL RAILWAY</u>			
Willie D. Eashman	Damaged Automobile Tires	80.00	-0-
<u>WAR MEMORIAL</u>			
James R. Wollen	Broken Camera	746.18	425.00
<u>JUVENILE COURT</u>			
Jacob Davis	Damaged Pants	60.00	60.00
<u>RECREATION AND PARK DEPARTMENT</u>			
Chi Chi Wong	Broken Automobile Window, Stolen Stereo System	1,027.00	-0-
<u>DEPARTMENT OF SOCIAL SERVICES</u>			
Bill Bettencourt	Broken Automobile Window	100.00	100.00
<u>DEPARTMENT OF PUBLIC WORKS</u>			
Tracy Lewis	Damaged Pants	58.72	58.72
TOTAL		\$4,183.23	\$ 2,314.40

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CALENDAR <sup>DOCUMENTS DEPT</sup> [ACTIONS  
TAKEN] MAY 11 1990  
MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO  
SAN FRANCISCO  
PUBLIC LIBRARY

WEDNESDAY, MAY 9, 1990 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, HALLINAN

ABSENT: SUPERVISOR MAHER

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

SPECIAL ORDER - 2:30 P.M.

1. File 97-90-18. [Environmental Enforcement Fund] Ordinance amending Chapter 10 of the San Francisco Administrative Code by amending Section 10.117-83, establishing an environmental enforcement fund, to allow for the receipt of money distributed by the California Department of Health Services under the California Hazardous Waste Control Act. (Supervisor Walker) (companion to File 93-90-9, 93-90-10 and 118-90-2.)

ACTION: AMENDED. SEE FILE FOR DETAIL. NO CHANGE IN TITLE. RECOMMENDED AS AMENDED.

2. File 118-90-2. [Hazardous Waste Generator Inspections, Fees] Ordinance amending Part II, Chapter V (Health Code) of the San Francisco Municipal Code by adding Article 22 thereto, and amending Part III of the San Francisco Municipal Code by amending Section 35 to provide for a program for enforcement of the California Hazardous Waste Control Act and for inspection and administration fees for hazardous waste generators; and adopting by reference the definitions in the hazardous waste control act of the State of California, Division 20, Chapter 6.5 of the California Health and Safety Code and its implementing regulations. (Supervisor Walker) (companion to File 93-90-9, 93-90-10 and 97-90-18.)

ACTION: AMENDED. SEE FILE FOR DETAIL. NEW TITLE: "[Hazardous Waste Generator Inspections, Fees] ORDINANCE AMENDING PART II, CHAPTER V (HEALTH CODE) OF THE SAN FRANCISCO MUNICIPAL CODE BY ADDING ARTICLE 22 THERETO, TO PROVIDE FOR A PROGRAM FOR ENFORCEMENT OF THE CALIFORNIA HAZARDOUS WASTE CONTROL ACT AND FOR INSPECTION AND ADMINISTRATION FEES FOR HAZARDOUS WASTE GENERATORS; AND ADOPTING BY REFERENCE THE DEFINITIONS IN THE HAZARDOUS WASTE CONTROL ACT OF THE STATE OF CALIFORNIA, DIVISION 20, CHAPTER 6.5 OF THE CALIFORNIA HEALTH AND SAFETY CODE AND ITS IMPLEMENTING REGULATIONS." RECOMMENDED AS AMENDED.

3. File 93-90-9. [Hazardous Waste Enforcement] Resolution entering into a memorandum of understanding with the California Department of Health Services to provide for an efficient means of transmittal to the City and County of San Francisco of the local health officer's portion of fines and penalties collected in hazardous waste enforcement actions. (Supervisor Walker) (companion to File 93-90-10, 97-90-18 and 118-90-2)

ACTION: RECOMMENDED.

4. File 93-90-10. [Hazardous Waste Enforcement] Resolution authorizing the Director of Public Health to enter into a memorandum of understanding with the California Department of Health Services to ensure cooperation and coordination in the enforcement of the Hazardous Waste Control Act. (Supervisor Walker) (companion to File 93-90-9, 97-90-18 and 118-90-2)

ACTION: RECOMMENDED.

SPECIAL ORDER - 3:00 P.M.

5. File 30-90-8. [Plan Update and Budget Supplement] Resolution authorizing adoption of the County Health Services Plan update and Budget supplement for the 1989-90 fiscal year. (Supervisor Walker)

ACTION: RECOMMENDED.

6. File 101-89-129. [Government Funding] Ordinance appropriating \$19,228,902 of State subvention from Proposition 99 Tobacco Tax for the Department of Public Health, for medical service contract, professional services and revenue transfer to San Francisco General Hospital. RO 9273 (Supervisor Walker)

ACTION: AMENDED. SEE FILE FOR DETAIL. NO CHANGE IN TITLE. RECOMMENDED AS AMENDED.

7. File 146-90-27. [Subvention - State] Resolution authorizing the Department of Public Health, Central Office Administration, to expend a subvention from the State of California for FY 89-90 California Health Care for Indigent Program (CHIP). (Supervisor Walker)

ACTION: AMENDED. SEE FILE FOR DETAIL. NEW TITLE. "[Subvention - State] RESOLUTION AUTHORIZING THE DEPARTMENT OF PUBLIC HEALTH, CENTRAL OFFICE ADMINISTRATION, TO EXPEND A SUBVENTION FROM THE STATE OF CALIFORNIA FOR FY 89-90 CALIFORNIA HEALTH CARE FOR INDIGENT PROGRAM (CHIP); RATIFYING ACTION PREVIOUSLY TAKEN." RECOMMENDED AS AMENDED.

8. File 97-90-21. [Tobacco Tax Funds] Ordinance Amending Article 10 of the San Francisco Administrative Code by adding Section 10.117-98 governing the payment of claims from physicians and hospitals for certain medical services provided to patients from funds obtained through the Cigarette and Tobacco Surtax Initiative and designating the Department of Public Health the administering agency under State law implementing the Initiative. (Supervisor Walker)

ACTION: RECOMMENDED.

CONSENT CALENDAR

9. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
- a) File 25-90-9. [Contract] Resolution approving the Controller's certification that Shuttle Bus Services for San Francisco International Airport can practically be performed by private contractor at a lower cost for the year commencing July 1, 1990, than if work were performed by City and County employees. (Airports Commission).
  - b) File 25-90-10. [Contract] Resolution concurring with the Controller's certification that parking meter collection services can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Office of the Treasurer).
  - c) File 38-90-4. [Acceptance of Gift] Resolution authorizing the San Francisco Police Department to accept the gift of a 1989 Ford Clubwagon, valued at \$13,777.99. (Police Commission).
  - d) File 64-90-7. [Amendment to Lease] Resolution authorizing amendment to lease of real property at 3911 Mission Street for the Department of Public Health's Southeast Mission Geriatric Clinic. (Real Estate Department).
  - e) File 101-89-80.1. [Release of Funds] Requesting release of reserved funds, Department of Public Health, in the amount of \$33,333, for the administration of Proposition 99 Tobacco Tax Funds. (Department of Public Health)
  - f) File 101-87-13.10. [Release of Funds] Requesting release of reserved funds, Fire Department, in the amount of \$1,326,407, for the purchase of pipe fittings for High Pressure System Extension Project #609-01, Ordinance No. 394-87. (Fire Department)
  - g) File 146-90-25. [Grant - State Funds] Resolution authorizing the Department of Public Health, Bureau of Communicable Disease Control, to apply for, accept and expend a grant of \$36,600 from the State Department of Health Services for continuation of Immunization services. (Mayor).
  - h) File 146-90-26. [Grant - State Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a grant of \$799,777 from the California Department of Health Services to continue funding the AIDS Drug Program. (Mayor).

ACTION: CONSENT CALENDAR RECOMMENDED EXCEPT 9e, AND 9f.

Item 9e, File 101-89-80.1. RELEASE OF \$33,333 RECOMMENDED. FILED.

Item 9f, File 101-87-13.10. RELEASE OF \$1,326,407 RECOMMENDED. FILED.

REGULAR CALENDAR

10. File 209-90-1 [Academy of Sciences] Resolution authorizing reimbursement to the California Academy of Sciences from the proceeds of the November 7, 1989 Proposition A bond proceeds (public buildings safety improvement bonds) for the Academy's expenditures of its private funds for the seismic upgrading of certain Academy buildings owned by the City. (Supervisor Walker)

(Continued from 4/18/90.)

ACTION: AMENDMENT OF THE WHOLE BEARING SAME TITLE  
ADOPTED. RECOMMENDED AS AMENDED.

11. File 170-90-4. [Mortgage Revenue Bonds - Cancellation] Resolution authorizing the Mayor to execute an agreement cancelling the City and County of San Francisco 1982 mortgage revenue bonds (San Francisco residential hotels), assigning the bond loan documents, and releasing claims (see File 341-82). (Supervisor Walker presented.)

(Continued from 5/2/90.)

ACTION: RECOMMENDED.

12. File 79-90-2. [Federal Funds - Residential Hotel Projects] Resolution approving the transfer of funds reserved for the International Hotel acquisition to Tenderloin Hotels, a California Limited Partnership, and the execution of loan agreements with Tenderloin Hotels (see file 516-76-1). (Supervisor Walker)

ACTION: AMENDMENT OF THE WHOLE BEARING SAME TITLE  
ADOPTED. RECOMMENDED AS AMENDED.

13. File 82-90-5. [Grant of Easement] Ordinance authorizing grant of a 150 square foot easement to Pacific Gas and Electric Company for installation of an underground electric line crossing Hetch Hetchy Parcel No. 4034(3) at the southeast corner of O'Shaughnessy Boulevard and Portola Drive in San Francisco; and adopting findings pursuant to City Planning Code Section 101.1. (Real Estate Department)

ACTION: RECOMMENDED.

14. File 86-90-2. [S.F. County Fair Agreement] Ordinance approving an agreement to manage the 1990 San Francisco County Fair in the San Francisco County Fair Building and Grounds located in Golden Gate Park, San Francisco, California. (Recreation and Park Department)

ACTION: RECOMMENDED.

15. File 101-89-123. [Government Funding] Ordinance appropriating \$26,553, City Planning, for data processing/word processing equipment and services of other departments - miscellaneous departments. RO #9264. (Controller)

ACTION: RECOMMENDED.



16. File 30-90-7. [Short Doyle Plan] Resolution approving the San Francisco Short-Doyle Plan for Mental Health Services in Fiscal Year 1989-90, Part B. (Department of Public Health).

ACTION: RECOMMENDED.

17. File 130-90-2. [Grant - State Funds] Resolution authorizing the Chief Adult Probation Officer to increase the amount of matching funds from \$13,833 to \$18,654 provided to Office of Criminal Justice Planning Project entitled "Gang Caseloads Component of the Intensive Services Unit". (Adult Probation Department)

ACTION: RECOMMENDED.





CITY AND COUNTY



OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

May 7, 1990

DOCUMENTS DEPT.

MAY 11 1990

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TO: Finance Committee

FROM: Budget Analyst

SUBJECT: May 9, 1990 Finance Committee Meeting

Items 1, 2, 3 and 4 -Files 97-90-18, 118-90-2, 93-90-9 and 93-90-10

**Department:** Department of Public Health (DPH), Bureau of Toxics and Safety Services

**Items:** Resolution authorizing the execution of a Memorandum of Understanding (MOU) between the California Department of Health Services to provide an efficient means of transmitting the City's share of funds collected from hazardous waste enforcement fines and penalties (File 93-90-9).

Resolution authorizing the Director of Public Health to enter into a Memorandum of Understanding with the California Department of Health Services to ensure cooperation and coordination in the enforcement of the Hazardous Waste Control Act, and authorizing the Director of Public Health to enforce the provisions of the Hazardous Waste Control Act (File 93-90-10).

Ordinance amending Section 10.117-83 of the Administrative Code by establishing an Environmental Enforcement Fund to allow for the receipt of money paid to DPH by either the District Attorney, City Attorney or the State from penalties from violations of the California Hazardous Waste Control Act (File 97-90-18).



Ordinance adding Article 22 to Part II, Chapter V (Health Code) of the Municipal Code and amending Section 35 of Part III of the Municipal Code to provide for a program for enforcing the California Hazardous Waste Control Act and for inspection and administration fees for generators of hazardous waste; and adopting by reference the definitions in the California Hazardous Waste Control Act and its implementing regulations (File 118-90-2).

**Description:**

The California Hazardous Waste Control Act (the Act), enacted in 1981, provides that the State Attorney General, the District Attorney or the City Attorney may assess fines and penalties against businesses for violation of the Act's provisions. State law also provides that 25 percent of the fines and penalties collected within a locality be allocated to the local health officer to fund enforcement of the Act. The Act, along with implementing regulations, establishes procedures for the safe handling, transport and disposal of hazardous wastes.

The proposed legislation would provide for the coordination of efforts between the State Department of Health Services and the DPH to enforce the Act, would authorize a special fund to receive monies from the State, the District Attorney or the City Attorney collected through enforcement actions to enforce the provisions of the Act, would provide for the timely transmittal of the monies collected from hazardous waste enforcement fines and penalties and would enable the DPH to perform the inspections and charge an inspection fee, as follows:

MOU to Transmit Hazardous Waste Fines (File 93-90-9)

The proposed resolution would approve a Memorandum of Understanding (MOU) between the City and the State to provide for the direct transmittal of the DPH's share of the fines collected by the District Attorney or City Attorney to the DPH without first transmitting the funds to the State. The DPH would maintain an active Hazardous Waste Control Act enforcement program and would submit quarterly reports to the State documenting the amount of fines collected by the City.



MOU to Facilitate Cooperation Between the DPH and the State (File 93-90-10)

The proposed resolution would authorize the Director of Public Health to enter into an MOU with the State to facilitate coordination of hazardous waste enforcement efforts in order to ensure that the limited resources of both are utilized in the most effective manner. The guidelines in the MOU include the following:

- a) The State would have the exclusive authority for the issuance, denial, revocation or suspension of hazardous waste facility permits and for the registration of hazardous waste transporters.
- b) The City would have the primary responsibility for the surveillance of the storage, handling and disposal of hazardous waste generators which are not permitted by the State.
- c) Both the State and the City would have responsibility for responding to citizen's complaints relating to their respective responsibilities as described in (a) and (b), above.
- d) The City would establish a goal to develop a hazardous waste program that will provide for inspections of all hazardous waste generators at least once per year.
- e) Both the State and the City would cooperate in sharing information, referring cases and meeting regularly to ensure the most efficient and effective enforcement efforts.
- f) The MOU would remain in effect for five years unless terminated by either the State or the City with a 60 day written notice.

Establishment of a Special Environmental Enforcement Fund (File 97-90-18)

The proposed ordinance would establish a special fund to receive fines and penalties collected by the State, District Attorney or City Attorney pursuant to the Hazardous Waste Control Act. The funds would be appropriated to the DPH to enforce the provisions of the Act, and would be distributed by DPH to the Police Department, the Sheriff's Department or the California Highway Patrol at the request of the Director of DPH. The funds would be subject to the budget and fiscal procedures of the City Charter, and therefore expenditure of the funds would be subject to the approval of

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



the Board of Supervisors. The balance of the funds remaining in the special fund at the close of the fiscal year would be carried forward to the next fiscal year. The DPH would maintain for five years records documenting the use of the funds and would report quarterly to the State on the amount of the funds received.

Hazardous Waste Generator Inspections and Fees (File 118-90-2)

The proposed ordinance would authorize the Director of DPH to inspect entities that produce hazardous waste, issue notices of violation of the Hazardous Waste Control Act, and collect fees from the hazardous waste generators to pay for the costs to DPH of inspecting the generators and administering enforcement of the State law. Generators of hazardous waste would pay \$75 per hour for inspection or enforcement activities undertaken by DPH at the generator site. The proposed ordinance would also authorize the Director of DPH to develop rules and regulations, subject to notice, public hearing and approval of the Health Commission, to carry out this proposed ordinance.

**Comments:**

1. In addition to the DPH's 25 percent share of fines and penalties, State law also provides that the District Attorney receive 25 percent of the fines and penalties and the State receives 50 percent. The District Attorney's share is deposited in the City's General Fund. According to Mr. Steven Castleman of the District Attorney's Office, the District Attorney has received approximately \$100,000, to date, from its 25 percent share of fines and penalties collected, which has been deposited to the General Fund. Mr. Bill Lee of DPH's Bureau of Toxic and Safety Services reports that, to date, the DPH has received approximately \$1,200 for its involvement in one case that was prosecuted by the District Attorney pursuant to the Hazardous Waste Control Act. Mr. Lee indicates that in the past the DPH did not automatically receive 25 percent of the fines and penalties collected.

2. Mr. Lee states that the DPH plans to implement the Hazardous Waste Control Act enforcement program in two phases and in conjunction with existing hazardous materials storage inspection efforts including the Hazardous Materials Permit Program. Mr. Lee indicates that the hazardous materials storage inspection efforts will overlap with the hazardous waste disposal inspection efforts because the sites which the DPH inspects for the





storage of hazardous materials will be likely to require inspection for the disposal of hazardous waste.

Mr. Lee reports that Phase I of the program would begin upon approval of the proposed legislation and would last for one year. In Phase I, the DPH's Hazardous Waste Generator Inspection efforts would be limited to training the DPH's seven existing Hazardous Materials Inspectors to perform the Hazardous Waste Generator inspections and responding to citizen's complaints regarding the handling, transport and disposal of hazardous waste. Mr. Lee estimates that approximately 1,000 to 2,000 hours would be spent during Phase I performing the inspections which, at the proposed inspection fee rate of \$75 per hour, would generate approximately \$75,000 to \$150,000 annually. According to Mr. Lee, revenues generated by the inspection fees would be deposited to the General Fund to cover the actual costs of the inspections.

In Phase II, the DPH would expand its efforts as additional resources are acquired for the Hazardous Waste Generator Inspection program. The additional efforts would include a program to educate businesses about waste reduction, alternative technologies and hazardous waste laws, train existing staff to conduct the inspections, prioritize the list of businesses to be inspected according to the amount of waste generated, and inspect the businesses with an ultimate goal of inspecting each hazardous waste-generating business once per year. For Phase II, the DPH would propose an inspection fee based on the volume of waste generated. According to Mr. Lee, this would provide an incentive for businesses to reduce the amount of hazardous waste produced.

Mr. Lee states that, in both phases, repeat offenders of the Hazardous Waste Control Act laws would be referred to the District Attorney or City Attorney for investigation of further legal action only after extensive DPH efforts to educate the businesses about the Hazardous Waste laws and opportunities for the businesses to comply with the laws.

3. Mr. Lee estimates that approximately 6,000 business and City agencies generate hazardous waste. At an estimated rate of 400 inspections per year, Mr. Lee estimates that the DPH would be able to inspect each of the businesses once every 15 years, using existing staff and resources. Mr. Lee indicates that in order to meet the goal of inspecting each business once per year, the DPH would require additional

**BOARD OF SUPERVISORS**  
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staff, which the DPH would request to be funded from the revenues collected from DPH's 25 percent share of fines and penalties.

4. Mr. Lee indicates that the DPH is unable to estimate the amount of revenue that would be collected from the DPH's 25 percent share of fines and penalties, and would depend on the number of offenders, the extent of the violation and the amount of the penalty or fine assessed. As noted earlier, the appropriation of the monies in the Special Environmental Enforcement Fund would be subject to approval by the Board of Supervisors.

5. On May 1, 1990, the City Services Committee held a hearing to consider the pressing need for City agencies, private businesses and residents of the City and County to address the problem of hazardous material use, storage and disposal. The proposed Hazardous Waste Generator Inspection program would be one of the efforts to address the safe handling, transport and disposal of hazardous waste. According to Mr. Lee, hazardous materials are hazardous substances which are being or will be used, and hazardous waste are hazardous substances which are no longer being used and are to be disposed.

**Recommendations:** Although the Budget Analyst believes that additional efforts to reduce hazardous waste and to ensure safe and proper disposal of hazardous waste would benefit the City, the proposed legislation would create a new Hazardous Waste Generator Inspection Program and would establish a new inspection fee of \$75 per hour for DPH inspection services. Therefore, approval of the proposed legislation is a policy matter for the Board of Supervisors.



Items 5, 6, 7 and 8 - Files 30-90-8, 101-89-129, 146-90-27 and 97-90-21

- Department:** Department of Public Health (DPH), Central Office
- Items:** Resolution authorizing the County Health Services FY 1989-90 Plan Update and Budget Supplement (File 30-90-8).
- Resolution authorizing the DPH to expend a State subvention of Proposition 99 -Tobacco Tax monies totalling \$19,479,117 for the FY 1989-90 California Health Care for Indigents Program (CHIP) (File 146-90-27).
- Supplemental Appropriation Ordinance appropriating \$19,228,902 of Proposition 99 - Tobacco Tax monies for medical service contract, professional services and revenue transfer to San Francisco General Hospital (SFGH) and Public Health Central Office for FY 1989-90 (File 101-89-129).
- Ordinance adding Section 10.117-98 to Article 10 of the Administrative Code governing the payment of claims from physicians and hospitals for certain medical services provided to patients from Proposition 99 - Tobacco Tax funds and designating the DPH as the administering agency under State law implementing the Proposition 99 - Tobacco Tax programs (File 97-90-21).
- Description:** The proposed legislation would enable the DPH to implement the California Health Care for Indigents Program (CHIP), which is one of the Proposition 99 - Tobacco Tax programs. Proposition 99, through the AB 75 enabling legislation, provides new funds to be administered by county health departments to provide:
- 1) follow-up medical services for the existing Child Health and Disability Prevention Program,
  - 2) tobacco use prevention education and
  - 3) the CHIP program, which includes additional funding for:
    - a) counties to provide for the uncompensated costs of providing services to medically indigent persons (persons who are unable to pay for their care through private insurance, Medi-Cal, Medicare or other means) and to increase health care services to indigent persons and
    - b) private hospitals and physicians to provide for the uncompensated costs of providing health care to medically indigent persons.

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The State provides counties with both restricted funds and discretionary Proposition 99 funds for the CHIP program. The restricted uses include funds for county and private hospitals which are allowed a certain allotment of monies based on actual past levels of medical care to medically indigent persons. In addition, the State allots a certain amount for the uncompensated costs of private physicians who provide emergency, pediatric and obstetric care to medically indigent persons.

Counties also receive discretionary funds to provide increased county health services to indigent persons and to provide for county contracts with private physicians to increase the access of private health care to medically indigent persons. The State allocates discretionary monies to counties as long as the county's spending for indigent care exceeds FY 1988-89 (base year) levels and that the county health system provides the same or an increased level of outpatient services.

Approximately \$26.9 million in total Proposition 99 revenue will be made available to the City for the current 1989-90 fiscal year, of which \$19,479,117 is for the CHIP program. The Board of Supervisors has previously approved a supplemental appropriation ordinance (File 101-89-80) appropriating \$250,212 in Proposition 99 monies for the creation of 10 positions and operating expenses for the administration of the CHIP program.

County Health Service FY 1989-90 Plan Update and Budget Supplement (File 30-90-8)

The State requires counties to provide an annual description of the County Health Services Plan and Budget, which, for FY 1989-90, was approved by the Board of Supervisors in October, 1989. The State is now requiring that a description of the proposed use of CHIP funds be included in a County Health Services Plan Update and Budget Supplement for FY 1989-90. The proposed resolution would authorize the Plan Update and Budget Supplement for FY 1989-90.





The DPH reports that the level of health care services to indigent persons at SFGH were increased during FY 1989-90 over the FY 1988-89 level in anticipation of increased revenues from Proposition 99. Therefore, the DPH is proposing to use the total of \$12,574,052 (\$7,493,750 in restricted County Hospital Services funds and \$5,080,302 in discretionary Other County Health Services funds) to reduce the level of the FY 1989-90 General Fund contribution to SFGH (\$12,363,145) for increased costs (such as salary standardization and costs related to the nursing Memorandum of Understanding), program enhancements and new services, and to the Public Health Central Office (\$210,907) for administrative costs, related to health care for medically indigent persons. The DPH estimates that approximately 42,000 persons will be served at SFGH with the \$12,363,145 in CHIP funds at an estimated average cost of approximately \$294 per patient. DPH administrative costs of \$210,907 are approximately 2 percent of program costs.

The DPH proposes to use the Physician Services funds totalling \$3,202,220 (\$1,601,110 in restricted Physician Services - Emergency Medical Services and \$1,601,110 in discretionary Physician Services - New Contracts) for reimbursement of emergency, pediatric and obstetric services performed by non-county (private) physicians for patients who are unable to pay for their care. The reimbursement amount to physicians filing claims would be limited to 50 percent of cost of the services. The DPH estimates that approximately 70,000 additional outpatient and emergency visits will be provided with the CHIP funds at an estimated average reimbursement rate of \$46 per claim.

The DPH proposes to allocate the Non-County (Private) Hospital Services funds totalling \$2,948,630 to private hospitals to reimburse up to 100 percent of eligible services provided to patients unable to pay for their care. Each participating hospital would receive an allotment of funds, based on a formula established by the State, from which the hospitals would receive reimbursement. The DPH estimates that these CHIP funds will pay for approximately 10,000 additional inpatient days at private hospitals at an estimated average reimbursement rate of approximately \$294 per claim.



The Private Hospital and Physician Services funds would also be used to fund Child Health and Disability Prevention (CHDP) follow-up services provided by private hospitals and physicians. Funding for the CHDP follow-up services is included in the \$3,202,220 for private physicians and \$2,948,630 for private hospitals.

Authority to Expend State Subvention Funds (File 146-90-27)

On December 11, 1989, the Board of Supervisors approved a resolution authorizing the DPH to apply for and accept up to \$24 million in Proposition 99 - Tobacco Tax funds for the California Health Care for Indigents Program (CHIP) program (File 146-89-73). The proposed resolution would authorize the DPH to expend a \$19,479,117 State subvention of Proposition 99 - Tobacco Tax monies for the CHIP program. The actual State subvention includes \$250,212 for administration of the CHIP program, which was previously approved by the Board, and \$19,228,902 for CHIP program services, described in the proposed Supplemental Appropriation Ordinance below, for a total of \$19,479,114. The State subvention must be encumbered by June 30, 1990, and any unencumbered funds would return to the State. The DPH has prepared a "Health Commission - Summary of Grant Request" for the State subvention, which is attached.

The proposed resolution should be amended to correct the amount of the State subvention from \$19,479,117 to \$19,479,114. In addition, since \$250,212 of the \$19,479,114 State subvention has already been appropriated, the proposed resolution should be amended to ratify action previously taken.

Supplemental Appropriation Ordinance (File 101-89-25)

The proposed Supplemental Appropriation Ordinance would appropriate \$19,228,902 to reduce the FY 1989-90 General Fund contribution to San Francisco General Hospital (SFGH) and Public Health Central Office and to fund medical service contracts and professional services, as follows:

Reduction in General Fund Contribution	
SFGH	\$12,363,145
Central Office	<u>210,907</u>
Subtotal	\$12,574,052

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Medical Service Contract

Private Hospital Services \$2,948,630

For the payment of claims filed by private hospitals for the provision of health care services to medically indigent persons. Approximately 10,000 claims at an average cost of \$294 per claim.

Private Physician Services 3,202,220

For the payment of claims filed by private physicians for the provision of emergency, pediatric and obstetric care to medically indigent persons. Approximately 70,000 claims at an average amount reimbursed of \$46 per claim.

Subtotal Medical Service Contract 6,150,850

Professional Services

Fiscal Intermediary Contract  
(Described in Comment 1, below) 480,000

Quality Assurance Contract  
(Described in Comment 2, below) 24,000

Subtotal Professional Services 504,000

Total Supplemental Appropriation \$19,228,902

The proposed Supplemental Appropriation Ordinance contains a clerical error. At the bottom of page one of the legislation (no line number), the total for AB 75 Hospital Services Non-County Access is shown as \$1,551,245 and should be \$3,153,977 for the following appropriations:

AB 75 Hospital Services Non-County Formula  
Medical Service Contract \$1,602,732

AB 75 Hospital Services Non-County Access  
Medical Service Contract 1,345,898  
Professional Services 205,347

Total AB 75 Hospital Services Non-County Access \$3,153,977

This correction would not change the total supplemental appropriation amount of \$19,228,902. The legislation (File 101-89-129) should be amended to correct this clerical error.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Ordinance Governing the Payment of Claims (File 97-90-21)

The proposed ordinance would establish procedures for the filing of claims by private physicians and hospitals participating in the CHIP program, the payment of claims to eligible parties and the recoupment of any funds erroneously paid. The DPH is proposing to administer the private hospitals and physicians portion of the CHIP program through a professional services contract with a fiscal intermediary. The contractor would be responsible for enrolling the private hospitals and physicians and receiving, reviewing and processing the claims of the hospitals and physicians.

In order to be eligible to enroll in the CHIP program, private hospitals and physicians must agree to abide by the State laws regarding program monitoring, reporting, auditing, and evaluation. According to the DPH, the proposed ordinance is necessary to provide the DPH with the authority to regulate the claims procedures, since the private physicians and hospitals are under contract with the fiscal intermediary rather than with the City.

The provisions of the proposed ordinance are consistent with the provisions of the State laws governing the administration of the CHIP program and the County Health Services Plan and Budget as submitted to the State.

**Comments:**

1. According to Mr. Jeff Leong of DPH, the proposed fiscal intermediary contractor is Wellmark, Inc., which is neither an LBE, MBE nor WBE. Mr. Leong reports that the proposed contractor was selected based on an expedited Request for Proposal procedure due to the short time that the DPH had to select a contractor. As noted earlier, the Tobacco Tax funds must be encumbered by June 30, 1990, or be returned to the State. The DPH initially contacted five fiscal intermediary vendors, none of which were MBE or WBE firms. According to Mr. Leong, Wellmark Inc. was considered as one of two qualified firms that submitted a proposal. Mr. Leong states that Wellmark Inc. was selected based on the company's ability to perform the claims processing in accordance with State regulations. The proposed \$480,000 budget for the fiscal intermediary services for the period May 21, 1990 through May 20, 1991, is as follows:





	<u>FTE</u>	<u>Annual Rate</u>	<u>Total</u>
Salaries			
Project Director	0.4	\$63,000	\$25,200
System Manager	0.5	49,000	24,500
Service Manager	0.5	49,000	24,500
Claim Entry	<u>3.2</u>	42,000	<u>135,000</u>
Subtotal Salaries	4.6		\$209,200
Administrative Overhead			12,000
Profit			36,000
Other Operating Expenses			<u>222,800</u>
Total Wellmark, Inc. (Fiscal Intermediary)			\$480,000

In response to Budget Analyst inquires, the DPH has determined that an administrative error has been made regarding the \$480,000 for the proposed Fiscal Intermediary contract. In the previous \$250,212 Proposition 99 Supplemental Appropriation Ordinance (File 101-89-80) approved by the Board of Supervisors on February 20, 1990, \$33,333 was placed on reserve for contractual services, which the DPH is requesting to be released to partially fund the proposed \$480,000 Wellmark, Inc., contract (see Item 9(e), File 101-89-80.1 of this report). Therefore, the proposed supplemental appropriation would create an excess of \$33,333 in the Professional Services account. In order to correct this administrative error, Ms. Cynthia Bautista of DPH states that, subsequent to the passage of the proposed ordinance (File 101-89-129), the DPH will prepare a surplus transfer request transferring the excess \$33,333 to Medical Service Contract to increase funds available for direct services for private hospitals and physicians.

According to Mr. Leong, the excess of \$33,333 should be transferred to Medical Service Contract, rather than eliminated from the budget, because the private physicians and private hospitals would be able to provide additional services if the additional funding is available. Mr. Leong states that any funds unencumbered by June 30, 1990 would return to the State.



2. Mr. Leong indicates that the quality assurance contractor has not yet been selected. Therefore, Professional Services monies in the amount of \$24,000 should be reserved pending selection of the contractor and submission by the DPH to the Finance Committee of the details regarding the proposed scope of services, hourly rates and the firm's LBE/MBE/WBE status.

- Recommendation:**
1. Approve the proposed resolution authorizing the County Health Services FY 1989-90 Plan Update and Budget Supplement (File 30-90-8).
  2. Amend the proposed resolution authorizing the DPH to expend the State subvention of Proposition 99 - Tobacco Tax monies (File 146-90-27) to (a) reduce the subvention amount from \$19,479,117 to \$19,479,114 to correct a clerical error, and (b) ratify action previously taken.
  3. Amend the proposed Supplemental Appropriation Ordinance (File 101-89-129) to change the total for AB 75 Hospital Services Non-County Access (bottom of page one, no line number) from \$1,551,245 to \$3,153,977 to correct a clerical error, and approve as amended.
  4. Approve the proposed ordinance governing the payment of private hospital and physician claims (File 97-90-21).



Rev. 4/10/90

Item No. \_\_\_\_\_ Health Commission - Summary of Grant Request

Grantor State Dept. of Health Services  
Contact Person Robert Krause  
Address State Dept. of Health Services  
714/744 P Street, Sacramento, CA  
Amount Requested \$ \$19,479,114  
Term: From 7/1/89 To 6/30/90  
Health Commission 12/5/89

Division CPHS  
Section MIA Office  
Contact Person Fred Milligan  
Telephone 554-2673  
Application Deadline 12/15/89  
Notification Expected January, 1990  
Full Board 12/11/89

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$ 19,479,114 from the period of 7/1/89 to 6/30/90 to provide California Health Care for Indigents (CHIP) under AB75 services.  
(Circle appropriate words)

II. Summary: (Context/history; need addressed; number + groups served; services and providers)

(SEE ATTACHMENT)

III. Outcomes/Objectives:

Reimburse or pay for health services delivered to persons who cannot afford to pay for services and for whom payment for services will not be made through private coverage or by any program funded in whole or in part by the Federal Government.

IV. Effects of Reduction or Termination of These Funds:

V. Financial Information:

	<u>Col. A</u> Two Years Ago	<u>Col. B</u> Past Year/Orig.	<u>Col. C</u> Proposed	<u>Col. D</u> Change	<u>Req. Match</u>	<u>Approved by</u>
Grant Amount			<u>\$19,479,114</u>			
Personnel						
Equipment						
* Contract Svc.	<u>See</u>					
Mat. & Supp.	<u>Attached</u>					
Facilities/Space	<u>Budget</u>					
Other						
Indirect Costs						

VI. Data Processing

(cons included above):

VII. Personnel

F/T CSC	<u>Not applicable</u>
P/T CSC	<u>Not applicable</u>
Contractual	<u>Not applicable</u>

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Not applicable

Will grant funded employees be retained after this grant terminates? If so, How?

Not applicable

\*VIII. Contractual Services: Open Bid X Sole Source \_\_\_\_\_ (if sole source, attach Request for Exemption Form)



CHIP REVENUES, FY 1989-90  
AB - 75

<u>Program</u>	<u>FY 89-90</u>
California Health Care for Indigents Program (CHIP)	
1) Hospital Services	
County	7,578,124
Non-county	3,205,464
Hospital Total	10,783,588
2) Physician Services	3,558,023
3) Other County Health Services	5,137,503
CHIP Total	19,479,114

2927j





## II. Summary:

CHIP funds are allocated to each county from three different CHIP accounts: Hospital Services Account, Physicians Services Account (ongoing), and Other Health Services Funding Account.

The allocations were derived by applying percentages formulated by the County Supervisors Association of California (CSAC) and are listed in statute (Section 16941(b) of the Welfare and Institutions Code).

CHIP funds will be allocated to the counties which will be responsible for their distribution. Monies from the three Accounts have different allowable uses and must be accounted for separately. The applicable statutes contain significant flexibility in the requirements that counties may impose upon fund recipients; however, both the legislation and the original Proposition 99 initiative language clearly identify the funds as being for the reimbursement or payment for services delivered to persons who cannot afford to pay for services and for whom payment for services will not be made through private coverage or by any program funded in whole or in part by the Federal government.

Funding (except for one-time Physician Services Account funds) will continue in Fiscal Year (FY) 1990-91 at slightly reduced levels.

On December 11, 1989, Resolution #927-89 (copy enclosed) was adopted by the Board of Supervisors to apply for and accept these funds. We are now requesting the adoption of a resolution to expend these funds.



(Grant - State)

1 AUTHORIZING APPLICATION FOR AND ACCEPTANCE BY THE PUBLIC HEALTH DEPARTMENT  
2 OF FISCAL YEAR 1989-90 FUNDING FROM STATE DEPARTMENT OF HEALTH SERVICES FOR  
3 CALIFORNIA HEALTHCARE FOR INDIGENTS PROGRAM (CHIP) FUNDS.

4 WHEREAS, the State of California passed the Tobacco Tax and Health  
5 Protection Act of 1988 (Proposition 99) and its implementing legislation  
6 Assembly Bill 75 (Isenberg); and

7 WHEREAS, this act and legislation makes monies available to Medically  
8 Indigent Services Programs (MISP) counties to reimburse hospitals, physicians  
9 and other providers for uncompensated care cost, for making capital  
10 improvements, and for implementing data systems; and

11 WHEREAS, a significant part of this funding is to implement the California  
12 Healthcare for Indigents Program (CHIP) with its attendant funding; and

13 WHEREAS, receipt of such funding requires a written application from the  
14 County Board of Supervisors along with the provision of a number of assurances  
15 concerning use of such funds; and

16 WHEREAS, receipt of such funds will begin in January 1990 if application  
17 is made prior to December 15, 1989;

18 NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors does hereby  
19 make application for and approve acceptance of California Healthcare for  
20 Indigents Program Funds on behalf of the Public Health Department for Fiscal  
21 Year 1989-90 up to \$24 million along with the provision of a number of  
22 assurances concerning use of such funds, and approve the signing and  
23 executing by the Clerk of the Board of Supervisors of the application act  
24 forth in Board of Supervisors' file number 146-89-73 and

25 Incorporated herein by reference, between the governing body of the City and  
26 County of San Francisco and the State Department of Health Services.

RECOMMENDED:

APPROVED:

*David W. DeGarcia*  
DAVID VERDECAR, M.D., M.P.H.  
Director of Health

*David W. DeGarcia*  
Health Commission

Adopted on date of introduction  
Board of Supervisors, San Francisco

December 11, 1989

Ayes: Supervisors Britt Gonzalez Hallinan Hongisto Hsieh Kennedy  
Walker

Absent: Supervisors Alioto Maher Nelder Ward

I hereby certify that the foregoing resolution  
was adopted by the Board of Supervisors  
of the City and County of San Francisco

*John J. Walker*  
Clerk

DEC 14 '89

File No.  
146-89-73

Date Approved

*David W. DeGarcia*  
Mayor



Item 9a - File 25-90-9

**Department:** San Francisco International Airport

**Item:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Shuttlebus Services

**Description:** The Controller has determined that contracting for these shuttlebus services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operated Costs</u>		
Salaries and Wages	\$1,793,370	\$1,840,712
Fringe Benefits	<u>476,267</u>	<u>487,037</u>
Subtotal Personnel	\$2,269,637	\$2,327,749
Operating Expenses	<u>338,713</u>	<u>338,713</u>
Total	\$2,608,350	\$2,666,462
<u>Contractual Services</u>	<u>2,147,532</u>	<u>2,147,532</u>
<u>Estimated Savings</u>	\$460,818	\$518,930

**Comments:**

1. Shuttlebus services were first certified as required by Charter Section 8.300-1 in 1984. These services have been provided by an outside contractor since 1975.
2. The current ten year contract, which expires December 31, 1993, is with SFO Shuttle Bus Company. The contracted service cost used for the purpose of this analysis is the estimated contract cost for fiscal year 1990-91.
3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



CHARTER 8.300-1 (Proposition J) QUESTIONNAIREDepartment SFIA-OperationsContract Services SFO Shuttle Bus ServiceFor the term starting approximately July 1, 1990 through June 30, 1991

- 1) Who performed services prior to contracting out? With the construction of the Remote Parking Facility in 1975, shuttle bus service was initiated by contract. Prior to 1975, the area was utilized as a small parking lot for SFIA employee parking. An employee van service was provided by Airport Parking Management (APM).
- 2) Number of City employees laid off as a result of contracting out?  
None (See #1)
- 3) Explain disposition of employees if they were not laid off.  
N/A (See #1)
- 4) What percent of a City employee's time is spent on services to be contracted out?  
N/A (See #1)
- 5) How long have the services been contracted out?  
Since 1975
- 6) When was the first fiscal year for a Proposition J certification?  
Fiscal Year 1984-1985
- 7) How will contract services meet the goals of your MBE/WBE Action Plan?  
Although this contract was not awarded to a MBE/WBE firm in 1983, it must adhere to the City's non-discrimination ordinance of Chapter 12B and 12C of the San Francisco Administrative Code.

\_\_\_\_\_  
Department Representative  
Duke Briscoe, Deputy Director-Operations  
876-2112  
\_\_\_\_\_  
Telephone





Item 9b - File 25-90-10

**Department:** Treasurer/Tax Collector

**Item:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Parking meter collection services

**Description:** The Controller has determined that contracting for these parking meter collection services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operated Service Costs</u>		
Salaries	\$388,290	\$469,987
Fringe Benefits	108,819	127,405
Operating Expenses	<u>38,710</u>	<u>38,710</u>
Total	\$535,819	\$636,102
<u>Contractual Services</u>	<u>372,612</u>	<u>372,612</u>
<u>Estimated Savings</u>	\$163,207	\$263,490

**Comments:**

1. Parking meter collection services were first certified as required by Charter Section 8.300-1 in 1978 and have continued to be provided by an outside contractor since then.
2. The current one year contract, which expires June 30, 1990 is with Burns International Security Services. The contracted service cost used for the purpose of this analysis is an informal bid from that contractor.
3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department Treasurer/Tax Collector

Contract Services Collecting of Parking Meter Revenues

For the term starting approximately July 1, 1990 through June 30, 1991

1) Who performed services prior to contracting out?

City Employees

2) Number of City employees laid off as a result of contracting out?

None

3) Explain disposition of employees if they were not laid off.

Charged with stealing public funds. The positions were abolished.

4) What percent of a City employee's time is spent on services to be contracted out?

None

5) How long have the services been contracted out?

Since March 1978

6) When was the first fiscal year for a Proposition J certification?

March 1978

7) How will contract services meet the goals of your MBE/WBE Action Plan?

This contract has never been included in the Treasurer/Tax Collector's MBE/WBE goals because of the very specialized nature of the work and the very tight security measures needed to comply with contract requirements. MBE/WBE firms that might possibly meet those standards have refused to bid because of the very high start up costs necessary due to the specialized nature of the equipment, the necessity of a sufficient large number of trained and bondable employees, the necessity for thorough background checks, etc. See attachment.

Lee Poteet

Department Representative

554-4475

Telephone



PAGE NO. 2

Continued:

7) How will contract services meet the goals of your MBE/WBE Action Plan?

The current contractor has a very high percentage of minority and female employees and is an EEO employer.



Item 9c - File 38-90-4

**Department:** San Francisco Police Department

**Item:** Resolution authorizing the San Francisco Police Department to accept the gift of a 1989 Ford Clubwagon, valued at \$13,777.99

**Description:** The Police Activities League (PAL), has offered to donate a gift of a Clubwagon to the Police Department's Juvenile Division to be used to transport youth to various recreational activities sponsored by PAL.

Captain John Gleason of the Police Department reports that the Clubwagon will replace a worn out recreational vehicle which had been utilized by the PAL program. According to Captain Gleason, the maintenance, operation (ie, gas) and staffing costs for the Clubwagon would be absorbed within the Department's existing budget.

**Recommendation:** Approve the proposed resolution.





Item 9d - File 64-90-7

**Departments:** Department of Public Health (DPH)  
Real Estate Department

**Item:** Resolution authorizing an amendment to a lease of real property

**Location:** 3911 Mission Street

**Purpose of Lease:** Clinic Space for Geriatric Outpatient Mental Health Clinic

**Lessor:** Giovacchino Diodati and Armando Diodati

**No. of Sq. Ft. and Cost/Month:** 620 sq.ft. @ \$1.06/sq.ft./mo. = \$659.49 rent/month

The proposed amendment would add two additional areas of space as follows:

Area "B" - 440 sq. ft. @ \$0.67/sq.ft./mo. = \$294.80 rent/month  
Area "C" - 440 sq.ft. @ \$0.68/sq.ft./mo. = \$300 rent/month

Under the proposed lease amendment, a total of 1,500 sq.ft. of space would be leased including the existing space of 620 sq.ft. at a total cost of \$1,254.29 per month for rent or approximately .84/sq.ft./mo. In addition to rent, the City will pay approximately \$210.18 monthly to reimburse the lessor for water and janitorial services. The \$210.18 is \$119.42 or 131% more than the \$90.76 for water and janitorial services in the existing lease.

**Annual Cost:** \$15,051.48 for rent and approximately \$2,522.16 for utilities and janitorial services.

**% Increase over 1988-89:** 90% for rent

**Utilities and Janitor Provided by Lessor:** City reimburses lessor for janitorial and water

**Term of Lease:** July 1, 1989 to June 30, 1990

**Right of Renewal:** Under the proposed lease amendment, four consecutive one-year options would be added to the existing 620 sq. ft. lease area, beginning July 1, 1991 (one option remains under the current lease), which would bring the total number of renewal options, for this area, to five. In addition, the

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proposed lease amendment would provide for five consecutive one-year options for Areas "B" and "C".

**Source of Funds:** General Fund monies which are budgeted in the 1989-90 DPH budget.

- Comments:**
1. The Southeast Mission Geriatric Clinic has occupied the existing 620 sq. ft. of space at 3911 Mission Street since 1985. The Clinic provides crisis intervention, out-patient services and a day treatment program to seniors who reside in the Southeast and Mission Districts and who are in need of psychiatric intervention due to mental disorders. The DPH reports that additional clinic space is required because, the clinics average monthly caseload has increased by approximately 51% from 124 patients in 1985 to a current average monthly caseload of 187 patients. In addition, within the same time period, the clinic staff has increased from 9 to 22.
  2. The DPH advises that due to the immediate need to alleviate the overcrowded patient and staffing conditions at the clinic, three clinic staff began occupying Area "B" on January 8, 1990. Therefore, the proposed lease amendment would authorize the payment of rent for Area "B", retroactive to January 8, 1990.
  3. The Real Estate Department reports that at the City's request, the lessors arranged to have certain alterations done on Area "B" in order to make it suitable for office space. These alterations included installation of walls and doors, painting, installation of electrical, plumbing and heating systems and installation of carpet. The cost to the City for these alterations will be \$10,950. However, under the proposed lease amendment, the City would be permitted to recapture this cost, because the \$10,950 would be amortized over five years as an offset of \$0.42 per square foot against the fair market value rental rate for Area "B", which is \$1.09 per square foot. This would result in the rental rate for this area being reduced by \$0.42 to an effective rental rate of \$0.67 per square foot. The DPH has General Fund monies budgeted in the department's 1989-90 budget to pay for the cost of the alterations.
  4. Area "C" would be used by the Clinic for recreational therapy and a vocational rehabilitation program. The lessors have provided, at their sole expense, necessary alterations to this area. The cost for these alterations totaled \$4,000.

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May 9, 1990

5. The Real Estate Department reports that the terms of this lease are based on fair market value.

**Recommendation:** Approve the proposed resolution.

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Item 9e - File 101-89-80.1

**Department:** Department of Public Health (DPH), Public Health - Central Office

**Proposed Action:** Release of reserved funds previously approved for administration of Proposition 99 (Tobacco Tax) funds. The funds were reserved pending the submission of details regarding the proposed contractors.

**Amount:** \$33,333

**Source of Funds:** Proposition 99 (Tobacco Tax) monies

**Description:** On February 20, 1990, the Board of Supervisors approved a supplemental appropriation (File 101-89-80) of \$250,212 for the administration of Proposition 99 Tobacco Tax funds. Of the \$313,675 appropriated, \$33,333 was placed on reserve for contractual services (two contractors - one financial @ \$16,667 and one health education @ \$16,666) pending the DPH's submission of information regarding the proposed contractors, the scope of services and the hourly rates.

Proposition 99, through the AB 75 enabling legislation, provides new funds to be administered by the county health department to provide:

A) follow-up medical services for the existing Child Health and Disability Prevention Program,

B) tobacco use prevention education and

C) the California Health Care for Indigents Program (CHIP), which includes:

i) providing counties with additional funds to meet the healthcare needs of indigent persons and

ii) addressing the uncompensated care costs of private hospitals and physicians for providing healthcare to indigent persons.

The DPH is proposing to administer the private hospitals and physicians portion of the CHIP program through a professional services contract with a fiscal intermediary for financial services. The contractor would be responsible for enrolling the private hospitals and physicians and receiving, reviewing and processing the claims of the hospitals and physicians.

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Additionally, the DPH has determined that the proposed health education contract could be funded with a separate, forthcoming supplemental appropriation of Tobacco Tax monies for health education programs.

The DPH is now requesting a release of \$33,333 to cover a portion of a \$480,000 contract with one fiscal intermediary, Wellmark Inc., to administer the private physicians and private hospitals portion of the California Healthcare for the Indigent Program (CHIP). The proposed \$480,000 budget for the fiscal intermediary services for the period May 21, 1990 through May 20, 1991, is as follows:

	<u>FTE</u>	<u>Annual Rate</u>	<u>Total</u>
Salaries			
Project Director	0.4	\$63,000	\$25,200
System Manager	0.5	49,000	24,500
Service Manager	0.5	49,000	24,500
Claim Entry	<u>3.2</u>	42,000	<u>135,000</u>
Subtotal Salaries	4.6		\$209,200
Administrative Overhead			12,000
Profit			36,000
Other Operating Expenses			<u>222,800</u>
Total Wellmark, Inc. (Fiscal Intermediary)			\$480,000
Less Proposed Release of Reserved Funds (Subject of this Report)			<u>33,333</u>
Balance to be funded with a separate, proposed Supplemental Appropriation Ordinance (See Item 6, File 101-89-129 of this Report)			\$446,667

**Comments:**

1. According to Mr. Jeff Leong of DPH, the proposed fiscal intermediary contractor is Wellmark, Inc., which is neither an LBE, MBE nor WBE. Mr. Leong reports that the proposed contractor was selected based on an expedited Request for Proposal procedure due to the short time that the DPH had to select a contractor. The Tobacco Tax funds must be encumbered by June 30, 1990, or be returned to the State. The DPH initially contacted five fiscal intermediary vendors, none of which were MBE or WBE firms. According to Mr. Leong,

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Wellmark Inc. was considered as one of two qualified firms that submitted a proposal. Mr. Leong states that Wellmark Inc. was selected based on the company's ability to perform the claims processing in accordance with State regulations.

2. Private physician services funds from the CHIP program would be used for reimbursement of emergency, pediatric and obstetric services performed by private physicians for patients who are unable to pay for their care. The reimbursement amount to physicians filing claims would be limited to 50 percent of cost of the services. The DPH estimates that approximately 60,000 additional outpatient and emergency visits will be provided with the CHIP funds.

CHIP funds would also be used to reimburse private hospitals for uncompensated costs of providing health care to patients unable to pay for their care. Each participating hospital would receive an allotment of funds, based on a formula established by the State, from which the hospitals would receive reimbursement. The DPH estimates that these CHIP funds will pay for approximately 20,000 additional inpatient days at private hospitals.

**Recommendation:** Approve the proposed release of reserved funds.



Item 9f - File 101-87-13.10

**Department:** Fire Department

**Proposed Action:** Release of reserved funds previously approved for capital improvement projects. The funds were reserved pending submission of detailed cost estimates for the purchase and installation of high pressure water systems.

**Amount:** \$1,326,407

**Source of Funds:** 1986 Fire Protection Bond (Proposition A) funds

**Description:** In November, 1986, City voters approved the issuance of Fire Protection System Improvement Bonds (Proposition A). Funds from the bond sale in the amount of \$46,200,000 are to be used for the improvement of the City's fire protection system.

In September of 1987, the Board of Supervisors approved the Fire Department's \$29,364,300 supplemental appropriation from the 1986 bond funds for capital improvement projects (File 101-87-13) and placed on reserve \$14,092,300 for the purchase and installation of high pressure water system parts pending submission of the detailed cost estimates.

The Fire Department is now requesting release of \$1,326,407 of the \$14,092,300 in reserved funds for the purchase of pipe fittings for the High Pressure System Extension Project #609-01. These parts will be used on the various extension projects planned for construction, or currently under construction. Mr. Bob Jew of the Department of Public Works states that because of the specialized nature of the pipe fittings, DPW maintains a stock of these fittings for the various extension projects. DPW has found it less costly to purchase supplies of pipe fittings separately and furnish these supplies to the project construction contractors than to allow the contractors to include the supply costs in their construction bids. The proposed purchase costs are as follows:

Pipe fittings and related materials	\$1,216,820.33
Transportation, unloading, handling	27,451.30
Sales tax on materials	<u>82,135.37</u>
Total	\$1,326,407.00

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**Comments:** According to the Purchasing Department, nine companies were invited to bid on the purchase contract. Of the nine companies invited, only one company submitted a bid. These nine companies are listed below including the single bid amount:

<u>Firm</u>	<u>Preference</u>	<u>Total Bid</u>
Olympic Foundry, Inc.	None	\$1,326,407
P.E. O'Hair Co.	LBE	
Link International Co.	MBE/LBE	
U.S. Pipe & Foundry Co.	None	
Steam & Plumbing Service Corp.	LBE	
American Ductile Iron Pipe Div.	None	
Dresser Industries	None	
Abex Corp.	None	
Ridge Foundry, Inc.	None	

Only Olympic Foundry, Inc. submitted a bid. Mr. Carlos Chavez, the buyer for the Purchasing Department, was unable to provide a definite reason why only Olympic Foundry, Inc. submitted a bid on the purchase contract.

**Recommendation:** Release the reserved funds in the amount of \$1,326,407, as requested.





Item 9g - File 146-90-25

**Department:** Department of Public Health (DPH)  
Bureau of Communicable Disease Control

**Item:** Resolution authorizing the Department of Public Health to apply for, accept and expend a continuation State grant.

**Amount:** \$36,600

**Source of Grant:** State Department of Health Services

**Grant Period:** July 1, 1990 through June 30, 1991

**Project:** Immunization Services

**Project Description:** The proposed grant funds would be used to fund the administration of the City's immunization programs. The program uses State and City-provided vaccine for ten vaccine preventable diseases. The program's objectives are as follows:

To raise immunization levels to 98 percent or greater for each of the legally required immunizations among all kindergarten entrants and incoming transfer students attending schools in San Francisco.

To raise age-appropriate immunization levels to 95 percent or greater among infants and pre-school age children residing in San Francisco.

To reduce and, if possible, eliminate illness, disability and death due to vaccine-preventable disease in San Francisco through prevention, surveillance and outbreak control activities.

**No. of Units of Service:**

DPH estimates the following number and type of vaccinations will be provided: 2,366, Measles, Mumps, Rubella; 5,037 Polio; 5,931, DTP; 1,292, HIB; 25,920, Influenza and 335 Pneumococcal.

**Project Budget:**

<u>Personnel</u>	<u>FTE</u>		
Project Coordinator	.80	\$27,395	
Fringe Benefits		<u>7,397</u>	
Personnel Subtotal			\$34,792

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<u>Operating Expense</u>	
Office Supplies	\$400
Clinic Supplies	300
Health Education Material	200
Staff Training	908
Subtotal - Operating Expense	<u>1,808</u>
Total	\$36,600

**Indirect Cost:** None

**Local Match:** None

**Comments:**

1. The total funding for the Project Coordinator position is \$43,490. As noted above, the State grant would fund \$34,792 or 80 percent of this position. The remaining \$8,698 or 20% would be funded by General Fund monies. Ms. Lucille Burlew Lawler of DPH reports the Department has included the \$8,698 in its FY 1990-91 departmental budget request.
2. The 1990-91 proposed grant award of \$36,600 represents an increase of \$1,060 or 3 percent over the 1989-90 grant award of \$35,540.
3. Attached is the "Health Commission - Summary of Grant Request" prepared by DPH for this State grant.

**Recommendation:** Approve the proposed resolution.







Health Commission - Summary of Grant Request

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II. Summary

and other provider staff at Department sponsored health clinics, community clinics, hospital clinics and in participating private physician offices. Number served and their ethnicity is not currently available, but will be available for DPH Health Centers when their data system is in place. Ethnicity probably reflects the ethnicity of San Francisco.

III. Outcomes/Objectives:

3. Reduce/eliminate illness, disability, death due to vaccine preventable diseases: polio, diphtheria, tetanus, pertussis, measles, rubella, mumps and Haemophilus Influenza Type b in San Francisco.





Item 9h - File 146-90-26

**Department:** Department of Public Health (DPH), AIDS Office

**Item:** Resolution authorizing the Department of Public Health to accept and expend a State allocation.

**Amount:** \$799,777

**Source of Funds:** State Department of Health Services

**Term:** January 1, 1990 through June 30, 1990

**Project:** AIDS Drug Program

**Description:** The proposed State funds would be used to fund the AIDS Drug Program which provides AZT and/or aerosolized pentamidine drugs, to non-MediCal-eligible low-income persons who have a valid prescription for the drug from a licensed physician and who meet the income eligibility criteria.

**No. of Persons to be Served:** Approximately 725 patients

**Project Budget:** Clinical Supplies (medicine) \$799,777

**Indirect Cost:** None

**Local Match:** None

**Comments:**

1. From August 17, 1987 through December 31, 1989 (28.5 months) the AIDS Drug Program has received a total of \$3,335,553 in State Funds.
2. Attached is the "Health Commission - Summary of Grant Request" prepared by DPH for this State allocation.

**Recommendation:** Approve the proposed resolution.







Item 10 - File 209-90-1

**Note:** This item was continued by the Finance Committee at its meeting of April 18, 1990.

**Departments:** Academy of Sciences  
Department of Public Works (DPW)

**Item:** Resolution authorizing reimbursement for seismic upgrading expenditures

**Amount:** Not to exceed \$3,898,000, less DPW's monitoring costs (See Comment 8 regarding the Amendment of the Whole)

**Source of Funds:** 1989 Proposition A (Public Buildings Safety Improvement Bonds) Bond Proceeds

**Description:** The Academy of Sciences buildings are owned by the City. However, in accordance with the City's Charter Sections 3.640 and 3.641, the Academy of Sciences has control over the improvement, management, superintendence and operation of its buildings.

In May, 1988, the DPW issued a report on seismic hazards in City-owned facilities which concluded that certain Academy of Sciences buildings needed significant seismic work. In July, 1988, the Academy of Sciences hired a private engineering firm, at a cost of \$20,000, which confirmed the findings of the DPW report and suggested methods of seismic upgrade to the Academy of Sciences. In May, 1989, DPW developed estimates for seismic upgrading and related expenses for the Academy of Sciences' Cowell Hall and the Research/Invertebrate, Zoology and Geology (IZG) buildings.

On November 7, 1989, San Francisco voters approved Proposition A, a \$59.7 million bonded indebtedness to pay for seismic safety and other improvements to City-owned facilities, including the Academy of Sciences facilities. Under that proposed bond measure, the DPW is to provide in-house staff or contracts for the required architectural, engineering and seismic safety and other improvements for the various City departments.



The proposed resolution would enable the Academy of Sciences to expend its own funds to contract for the required seismic work and to be reimbursed for these expenditures by the City from the proceeds of the Proposition A Bond Fund monies.

The proposed resolution specifically states that the City would reimburse the Academy of Sciences seismic work expenditures only if the following five conditions are met:

1. The work performed is of substantially the same quality as if DPW had performed the project, to be determined by the Director of DPW and the Chief Administrative Officer (CAO);

2. Except for the seismic studies, structural and architectural plans and bid documents for the Cowell Hall portion of the project, for which the Academy of Sciences will not be reimbursed, the Academy of Sciences will comply with all City bidding requirements and the MBE/WBE/LBE requirements, to be determined by the Director of DPW, the CAO and the Executive Director of the Human Rights Commission;

3. The Director of DPW approves the reimbursement payments for the Academy of Sciences through the City Controller;

4. The Academy of Sciences uses DPW's standard specifications, as revised, as part of the construction documents for the construction of the project;

5. The Academy of Sciences notifies the Director of DPW on or before July 1, 1990 of its intent to undertake the seismic construction work.

**Comments:**

1. In July, 1988, the Board of Supervisors approved the California Academy of Sciences Master Plan (Resolution No. 549-88). According to Mr. Glen Angell, the Academy of Sciences Construction Manager, the Master Plan includes a project to renovate Cowell Hall's porch and entry area. The Academy of Sciences is proposing to combine and coordinate the scheduled Master Plan work with the proposed seismic safety work on the building in order to expedite and most economically complete the necessary seismic work.

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2. Mr. Angell reports that, because of the potential liability and life safety issues in Cowell Hall, the Academy of Sciences Board of Trustees has directed that this seismic safety work proceed immediately and that the work be completed as soon as possible. According to Mr. Angell, if the proposed resolution is approved, the Academy of Sciences anticipates starting construction on Cowell Hall in early July, 1990 and having the seismic safety construction work on Cowell Hall completed by October or November of 1990. Mr. Angell reports that although there will be a need to create a temporary entrance and relocate the retail store during the construction, the Academy of Sciences anticipates remaining open to the public throughout the construction period.

3. According to Mr. Mark Primeau, the Director of the Seismic Safety Projects for DPW, if the DPW were to perform the necessary work on Cowell Hall, instead of permitting the Academy of Sciences to perform the work, it is anticipated that the work would not begin until approximately the Winter of 1991 and that the work would not be completed until approximately July, 1991, a delay of up to nine months.

4. The proposed resolution specifically states that the City will not reimburse the Academy of Sciences for the private expenditure of funds for seismic studies, architectural and structural engineering studies or for the preparation of bid documents related to Cowell Hall. Mr. Angell reports that in addition to an initial Academy of Science's expenditure of \$20,000 for private architectural and engineering confirmation of the DPW's seismic analysis and an identification of alternatives, the Academy of Sciences has expended approximately \$200,000 of its own funds for private design and engineering studies for Cowell Hall. The Academy of Sciences did not follow the City's Request for Proposal or MBE/WBE/LBE requirements for either of these studies. Rather, the Academy of Sciences retained the architectural firm of Robinson, Mills and Williams, with whom the Academy of Sciences has had an ongoing relationship. Mr. Angell reports that the source of funds used to pay for these studies is the Academy of Sciences' Endowment Fund. According to the Academy of Sciences' financial statements, the Endowment Fund, a private donation fund, had a total fund balance of over \$32 million as of June 30, 1989.

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5. The proposed resolution states that if the identified conditions are met, as listed in the Description above, including the City's bid and MBE/WBE/LBE requirements, the City will fully reimburse the Academy of Sciences for any private expenditure of funds for the seismic work upgrade and related work pertaining to Cowell Hall, as set forth in DPW's Bond Program report. DPW's Bond Program report includes \$1,897,000 for Cowell Hall. DPW's Bond Program also includes \$2,001,000 for the Academy of Science's Research/IZG building.

6. A proposed Amendment of the Whole will be introduced at the May 9, 1990 Finance Committee meeting to include the Academy of Sciences Research/IZG building under the proposed reimbursement arrangements. According to Mr. Angell, the proposed amendment of the whole would make the Academy of Sciences responsible for both Cowell Hall and the Research/IZG building's work, including the architectural, engineering and construction contract work through the use of Proposition A Bond Fund monies. Although the already completed architectural and engineering studies for Cowell Hall will not be eligible for reimbursement, the Academy of Sciences is prepared to begin a request for proposal process for architectural and engineering studies at the Research/IZG building, as designated by the DPW. Therefore, these Research/IZG architectural and engineering costs would be eligible for reimbursement from the bond proceeds.

7. Mr. Mark Primeau, the Seismic Safety Manager for the Department of Public Works reports that DPW will monitor the seismic work that would be performed on both Academy of Sciences facilities. To date, the cost for DPW to monitor the work has not been determined. However, these DPW costs will be included as part of the total Bond funds available for Cowell Hall and the Research/IZG building.

8. According to the proposed Amendment of the Whole, a total of \$3,898,000 (\$1,897,000 for Cowell Hall and \$2,001,000 for Research/IZG), would be available for reimbursement to the Academy of Sciences by the City from the proceeds of its Proposition A Bond Fund monies, less the costs for DPW to monitor these projects. If the cost for the eligible Proposition A bond work on either facility is less than the amount estimated, the

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Academy of Sciences will be permitted to apply the surplus from one project (e.g., Research/IZG) to the other project (e.g., Cowell Hall). If the construction cost for both projects exceeds the \$3,898,000 amount included in DPW's Bond Program report for the Academy of Sciences, less the amount required by DPW to monitor the work, the Academy of Sciences will be expected to make up the difference with their own private funds. The Academy of Science intends to use their Endowment Fund to advance the necessary funds for completion of the seismic work on their facilities and to then use the Proposition A Bond proceeds funds reimbursed by the City to reimburse the Academy of Sciences Endowment Fund.

**Recommendation:** Approve the proposed Amendment of the Whole.



Items 11 and 12 - Files 170-90-4 and 79-90-2

**Note:** Item 11, File 170-90-4 was continued by the Finance Committee at its meeting of May 2, 1990.

**Department:** Mayor's Office of Housing (MOH)

**Item:** Proposed resolution to authorize the Mayor to execute an agreement cancelling the City and County of San Francisco 1982 mortgage revenue bonds and approving a new agreement which restructures the acquisition, financing and operation of four Tenderloin residential hotels, assigning the bond loan documents, and releasing claims (File 170-90-4).

Proposed resolution approving the transfer of funds reserved for the International Hotel acquisition to Tenderloin Hotels, a California Limited Partnership, and the execution of Loan Agreements with Tenderloin Hotels (File 79-90-2).

**Amount:** \$9,862,000

**Description:** In 1982, the Board of Supervisors approved Resolution No. 786-82 authorizing the City to issue \$6.5 million in mortgage revenue bonds for the acquisition and rehabilitation of four residential hotels in the North of Market area. The San Francisco Residential Hotels (SFRH) was designated as the owner of the four Tenderloin hotels and the North of Market Development Corporation (NOMDC), as formed by the North of Market Planning Coalition (NOMPC), was the lender of funds to SFRH. Also NOMDC was responsible for oversight and monitoring the performance of SFRH. The four hotels were purchased as part of a U. S. Department of Housing and Urban Development (HUD) Urban Development Action Grant (UDAG) and contributions from the City's Community Development Block Grant (CDBG) Program and the Fillmore UDAG as follows:

1982 Multi-Family Mortgage Revenue Bonds	\$6,500,000
UDAG (B-81-AA-06-0027)	2,538,000
CDBG Housing Site Acquisition Pool	1,000,000
Fillmore UDAG (B-81-AA-06-0031)	<u>1,343,000</u>
Total	\$11,381,000

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The four hotels totalling 457 single room occupancy (SRO) units are :

	<u>No. of Units</u>
William Penn Hotel, 160 Eddy Street	106
Ritz Hotel, 216 Eddy Street	100
Hamlin Hotel, 385 Eddy Street	76
Dalt Hotel, 34 Turk Street	<u>175</u>
Total	457

At the present time, the Mayor's Office of Housing (MOH) is recommending a restructuring of the original agreement pertaining to the acquisition, financing and operation of the UDAG Hotels from the San Francisco Residential Hotels (SFRH) to a joint venture of the Chinese Community Housing Corporation (CCHC) and the Tenderloin Neighborhood Development Corporation (TNDC), entitled the North of Market Development Corporation (NOMDC). In effect, NOMDC would be a new corporation, but would use the framework of the former NOMDC to amend and restate the articles of incorporation. The new NOMDC would have no ties with the old development corporation formed by the North of Market Planning Coalition, which as part of the original agreement was to be a lender of funds to the SFRH. According to MOH, the existing purchase of four hotels is now in default and has been poorly managed by SFRH. In this regard, NOMDC has filed a notice of default against SFRH alleging a breach of the loan agreement.

The proposed agreement to restructure the transaction of the UDAG Hotels (File 170-90-4) would require the SFRH to transfer the hotels to the joint venture and become a limited partner to the transaction. The new entity would be a limited partnership, entitled Tenderloin Hotels, having the new NOMDC as sole general partner and SFRH as sole limited partner. In 1997, SFRH would receive the Dalt Hotel and the two non-profits would receive the remaining three hotels, William Penn, Ritz and Hamlin Hotels.

The bondholders would forgive all payments in arrears, and would allow the new NOMDC to prepay the remaining loan for roughly half of the principal amount. The loan write down represents a reduction of more than \$2.5 million in principal and \$2 million in past interest waived. The City would loan \$2.7 million in Federal funds from current and prior year CDBG funds (\$1.5 million reprogrammed from a reserve of funds for the International Hotel, \$500,000 from the CDBG Site Acquisition Pool and \$700,000 from the CDBG Community Housing Rehabilitation Program), to assist with the acquisition (\$2,270,108) and to fund part of

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rehabilitation cost (\$429,892). As discussed below, Board of Supervisors approval is also requested for the transfer of \$1.5 million to the Tenderloin Hotels which was previously reserved for the International Hotel (File 79-90-2). In addition to the City funding, the project is also receiving a California Housing Rehabilitation Program loan of \$7,162,000 for acquisition and rehabilitation, and will receive Section 8 Moderate Rehabilitation rental assistance contracts for approximately 158 units of the total 457 SRO units in the four hotels. As a condition for receiving Section 8 units, HUD is requiring that the acquisition and rehabilitation of the hotels be completed by December 31, 1990.

As part of the proposed restructuring, upon the receipt of acquisition payments from Tenderloin Hotels, which is the new limited partnership, the bondholders would transfer the bonds through the Tenderloin Hotels and NOMDC to the City. At that time, the City would assign its rights under the Bond Loan Documents to NOMDC, the City would be released from all liability in connection with the bonds and the related loan documents, and the City would release SFRH from all claims under the Bond Loan Documents.

In addition to approving an agreement to restructure the acquisition, financing and operation of the Tenderloin Hotels (File 170-90-4), the Board of Supervisors has been requested to approve the transfer of \$1.5 million previously reserved for the International Hotel acquisition to assist in the acquisition of the Tenderloin Hotels (File 79-90-2). The \$1.5 million was originally allocated from the 1984 and 1985 Community Development Block Grant (CDBG) Program Fund designated in the CDBG Housing Site Acquisition Pool (HSAP). Under the proposed resolution, the \$1.5 million previously reserved for the International Hotel would be replaced by a \$3.0 million commitment to the International Hotel development project from Hotel Tax funds. The \$3.0 million in Hotel Tax funds would be the subject of separate legislation.

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**Source of Funds:** A recapitulation of the additional funds from State and local resources needed to facilitate the proposed restructuring agreement are as follows:

Transfer of International Hotel Reserve	
(CDBG funds) *	\$1,500,000
CDBG Housing Site Acquisition Pool	500,000
CDBG Community Housing Rehab. Program	700,000
State of California Housing Rehab. Program	<u>7,162,000</u>
Total	\$9,862,000

\* Subject of this legislation.

**Comments:**

1. In regard to the International Hotel, the Mayor's Office of Housing (MOH) has identified \$3,000,000 of Hotel Tax funds which can be committed to the International Hotel project. According to Mr. Brad Paul, Deputy Mayor for Housing and Neighborhoods, the International Hotel project is now planning to sell low-income housing tax credits and under those circumstances it would be preferable to use local funds.
2. The Budget Analyst notes that the proposed new limited partnership would include SFRH as sole limited partner, who currently owns the four hotels, but who has defaulted on the current loans.
3. The Budget Analyst has requested the Mayor's Office of Housing (MOH) to provide a written statement as to what measures were taken by NOMPC to monitor the past activities of SFRH to acquire, rehabilitate and operate the UDAG Hotels, and by MOH to monitor and assist the NOMPC to meet its oversight and monitoring obligations. In 1985, MOH provided \$13,000 in CDBG Housing Site Acquisition Funds to the NOMPC for salaries and overhead to assist NOMPC with their responsibilities to monitor the UDAG Hotels project. As of the writing of this report, the Mayor's Office has not provided the requested information.
4. Mr. Joe La Torre of MOH advises that HUD has given preliminary approval to the restructuring of the Tenderloin Hotel proposal in January of 1990. As a result of this approval, the City has funded \$120,000 in architectural and engineering costs and the current lenders have absorbed an additional \$100,000 in interest losses.
5. The UDAG Hotel project will also receive a \$225,000 commitment from the City-wide Tax Increment Housing Program (TIHP) Fund as a predevelopment cost. According to Mr. La Torre of MOH, these predevelopment monies will

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be reimbursed when the State of California Housing Rehabilitation Program funds become available.

6. It was originally contemplated that the investment of \$11,381,000, related to the four hotels, would be sufficient. The proposed legislation would require an additional investment of \$9,862,000 to preserve three of the hotels for low and moderate income persons. In 1997, the fourth hotel would be turned over to SFRH, the limited partner, who defaulted on the current loans, for SFRH's own use.

**Recommendation:** Approval of the proposed restructuring agreement to acquire, rehabilitate and operate the four UDAG Hotels in the Tenderloin (File 170-90-4), and the approval to transfer \$1.5 million reserved for the International Hotel to assist the proposed restructuring (File 79-90-2) are policy matters for the Board of Supervisors.

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Item 13 - File 82-90-5

- Department:** Real Estate Department
- Item:** Ordinance authorizing the grant of an easement to the Pacific Gas and Electric Company (P.G.&E.), and adopting findings pursuant to City Planning Code Section 101.1.
- Location:** The parcel of land (Hetch Hetchy Parcel No. 4034(3)) affected by the proposed easement is located at the southeast corner of O'Shaughnessy Boulevard and Portola Drive in San Francisco.
- Description:** The proposed ordinance would grant easement rights over a 150 square foot portion of Hetch Hetchy land to P.G.&E. for the installation of an underground electric line. The underground electric line would serve an adjoining subdivision.
- The Real Estate Department has determined that the easement rights are of use only to P.G.&E. and has recommended a direct sale of the rights to the company. P.G.&E. has agreed to pay \$2,500 for the easement rights.
- The Real Estate Department reports that the grant of the easement rights to P.G.&E. is contingent on the following conditions: (1) The City would retain ownership of the easement area and would reserve the right at any time to make use of any portion of the easement area for pipeline or related purposes in the event there is no practical alternative and (2) if necessary, P.G.&E. would agree to remove, repair, or reconstruct the underground electric line at their sole expense.
- The Department of City Planning has reported that conveyance of the easement deed is in conformity with the Master Plan and consistent with the Eight Priority Policies of Planning Code Section 101.1.
- Comment:** Mr. Anthony J. DeLucchi, Director of Property, reports that the \$2,500 represents the fair market value of the easement.
- Recommendation:** Approve the proposed ordinance.



Item 14 - File 86-90-2

1. The proposed ordinance would approve an Agreement with the Friends of Recreation and Parks (Friends), a non-profit corporation, to act as an independent contractor for and on behalf of the City for the purpose of holding and conducting the County Fair in Golden Gate Park in the San Francisco County Fair Building.

2. The Recreation and Park Department (RPD) is proposing to conduct the 1990 County Fair and Flower Show at the County Fair Building in Golden Gate Park from August 24 to 26, 1990. The proposed Agreement with the Friends would authorize the Friends to act as the overall producer and manager of the County Fair. The Friends would operate under the general supervision of the Recreation and Park Commission and the direct supervision of the Arboretum Director.

3. The Friends may arrange for a preview of the County Fair on August 23, 1990 to benefit the Friends or another non-profit organization. The price of the regular admission fee collected for the benefit preview event would be deposited into the County Fair Fund, and any balance of the cost of admission would be kept by the non-profit organization. All expenses for production of the benefit preview event would be borne by the non-profit organization.

4. The Friends would agree to pay for all expenses incurred in connection with the County Fair, except the amount of the funds appropriated by the Board of Supervisors for advertising, promotional work and other purposes related to the preparation and general conduct of the Fair, or funds appropriated by the State to the City from the State Fair and Exposition Fund for the Fair. The Manager and Designer to be hired by the Friends would abide by the budget as approved by the Board of Supervisors, and any expenditures above the budgeted amount would be the sole responsibility of the Friends unless prior written approval is obtained from the General Manager of the RPD. According to Mr. Ernie Prindle of RPD, the General Manager might consider, for example, approving funds for the purchase of lumber for the Fair to be funded with RPD's existing Materials and Supplies budget, if the funds were available.

5. The City would agree to maintain the County Fair Revolving Fund in the amount of \$10,000 which was established by the Board with County Fair monies to facilitate production of the Fair. Money would be disbursed from this Revolving Fund to the Friends upon presentation of invoices of Fair-related expenses and upon documentation that advance payment of such expenses is necessary or convenient. In the event more than \$10,000 is needed in the Revolving Fund, the City would agree to consider adoption of an ordinance approving use of existing resources in the County Fair budget to increase the amount of the Revolving Fund.

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### Comments

1. Mr. Ernie Prindle of RPD indicates that in previous years, when the Fair's main focus was the flower show, the Fair was produced and managed by the San Francisco Flower Show, Inc., a non-profit organization. Mr. Prindle indicates that the RPD is proposing that the Friends of Recreation and Park manage the Fair this year because of the expanded scope of the Fair. Mr. Prindle indicates that the San Francisco Flower Show, Inc. may still produce the flower show element of the 1990 Fair under a separate agreement with the Friends. If the management of the flower show element of the Fair is not performed by the San Francisco Flower Show, Inc., the Friends may perform the duties themselves or make arrangements with another organization.

2. On April 11, 1990, the Finance Committee considered a resolution (File 86-90-1) authorizing a \$200,000 proposed budget for the 1990 County Fair and, at the request of the Department, continued the item to the call of the Chair because the RPD has not yet finalized the budget. Of the \$200,000 budget, \$155,000 would be funded by the State, \$30,000 from Fair admission fees and concession rental fees and the balance of \$15,000 from available funds in the County Fair Fund. According to Mr. Prindle, the proposed budget has not yet been finalized because RPD is negotiating to have the State guarantee the \$200,000 budget, even if the estimated revenues of \$30,000 from fair admission and concession rental fees are not realized. Mr. Prindle indicates that when the RPD finalizes the budget, the RPD will resubmit the proposed budget to the Board of Supervisors for approval.

3. Mr. Prindle has indicated that the RPD may present in Committee amendments to the proposed Agreement which would incorporate the State Department of Agriculture Division of Fairs and Expositions' recommendations to give the Fair Manager (the Friends) more direct access to the County Fair Revolving Fund, in addition to other amendments to improve the overall production of the Fair. As of the writing of this report, the Budget Analyst has not been provided a copy of the proposed amendments.

### Recommendation

The Budget Analyst recommends approval of the proposed resolution which has been submitted. The Budget Analyst has no recommendation on any amendments which have not yet been submitted.

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Item 15 - File 101-89-123

**Department:** City Planning

**Item:** Supplemental Appropriation Ordinance for data processing/word processing equipment and services of other departments.

**Amount:** \$26,553

**Source of Funds:** Census Reserve

**Description:** During the 1989-90 budget review, the Board of Supervisors established a \$138,000 Census Reserve to implement a 1990 Census Program. In October, 1989, the Board of Supervisors approved (File 101-89-31) \$85,624 from the Census Reserve for temporary staff, computer equipment and professional services for data processing, leaving a remaining balance of \$52,376 in the Census Reserve.

The proposed \$26,553 supplemental appropriation would provide \$19,053 of additional computer hardware and software equipment to the Department of City Planning and \$7,500 to reimburse community based organizations for their community outreach efforts, through the Mayor's Office of Community Development. If the proposed \$26,553 supplemental appropriation is approved, the remaining balance in the Census Reserve would be \$25,823.

The specific proposed allocation of the supplemental is as follows:

Computer Equipment

Qualstar 9-Track Tape Subsystem	\$7,870
Storage Dimension 650 MB Hard Drive	7,695
SPSS Statistical Package Modules	<u>2,200</u>
Subtotal	\$17,765
Sales Tax (7.25%)	<u>1,288</u>
Total Computer Equipment	\$19,053

Community Outreach

Mission Language Vocational School	\$2,500
Asian Law Caucus	2,500
Ella Hill Hutch	<u>2,500</u>
Total Community Outreach	\$7,500
Total	\$26,553

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**Comments:**

1. According to Ms. Lilia Medina of the Department of City Planning, the proposed computer equipment is needed to enhance the Department's existing computer equipment in order to conduct the necessary post-Census analysis. Specifically, the proposed Qualstar tape subsystem will allow the Department to directly convert and read the Census Bureau's 9-track tapes onto the Department's personal computers (PC). The proposed 650 megabyte (MB) hard disk drive will enable the Department to increase their existing 386 Wang PC hard drive from 143 MB to 650 MB. This will provide a significantly greater amount of computer disk space and thus enable the Department to analyze, sort and manipulate the Census data without unloading and separating the data into sections. The proposed SPSS statistical package is a software package for analysis of the Census' demographic data.

2. The Electronic Information Processing Steering Committee (EIPSC) has approved the proposed computer equipment for the Department of City Planning.

3. It should be noted that the prior 1990 Census supplemental appropriation for \$85,624 for the Department of City Planning included two temporary positions, one 1863 Senior Systems and Procedures Analyst and one 5276 City Planning Intern. According to Ms. Medina, both of these temporary positions will be included in the Department's 1990-91 budget, in order to continue the necessary 1990 Census analysis. The Budget Analyst will review these temporary positions during the June, 1990 budget hearings.

4. Mr. Russell Jeung of the Mayor's Office reports that the proposed \$7,500 appropriation for Community Outreach is to cover the continued costs of three Outreach Coordinators. The Board of Supervisors adopted a resolution in February, 1990 to increase the amount of City resources for the 1990 Census effort in order to prevent an undercount of ethnic minority persons in the 1990 Census. In order to immediately implement this resolution, a surplus transfer was made from the Department of City Planning through the Mayor's Office of Community Development (OCD) for \$13,000. Surplus transfers of funds are approved by the Mayor's Office, but do not require the approval of the Board of Supervisors.

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5. According to Ms. Medina, the \$13,000 surplus transfer funds resulted from salary savings from the Department of City Planning's temporary positions that were approved from the Census Reserve by the Board of Supervisors. Of the \$13,000 transfer, \$5,000 was used to hire two Outreach Coordinators through two non-profit organizations, Mission Language Vocational School (\$2,500) and Asian Law Caucus (\$2,500). A homeless coordinator was also hired through Career Resources Development Center and 12 additional outreach workers were hired through Asian Neighborhood. It should be noted that an additional Outreach Worker was hired through the Ella Hill Hutch Community Center for \$2,500, although the Budget Analyst has not been able to determine what source of revenues were used to fund this position.

6. However, according to Mr. Jeung, the three Outreach Coordinators were paid \$2,500 each, for a total of \$7,500 for a period of approximately six weeks, between mid-March through April, 1990. The proposed \$7,500 supplemental appropriation would provide additional funds for these three Outreach Coordinators to continue their services through June, 1990. Funds for the continuation of the services of the other outreach workers is not being requested at this time.

7. Mr. Jeung reports that the three Outreach Coordinators have been assisting the public in completing their census forms, assisting in recruiting of census takers for the U.S. Census Bureau, have been distributing flyers and informing the public regarding the need to cooperate with the census takers, attending community events to provide additional information on the census, providing translation services and developing press releases to ethnic publications on the census. It is proposed that the Outreach Coordinators would become involved in the Were you Counted campaign, that is currently being planned for the next several weeks.

8. According to Mr. Jeung, the three Outreach Coordinators, in conjunction with the other outreach workers, have assisted in providing San Francisco with one of the "best" 1990 Census response rates in both California and the United States. Mr. Jeung reports that the three Outreach Coordinators, in conjunction with the other outreach workers, identified 1,300 households who did not initially complete a census form, which is estimated to represent approximately 3,000 people. According to Mr. Jeung, each person counted in the census represents approximately \$500 of additional State and Federal assistance for San Francisco each year. Based on the approximately 3,000 persons identified by the Outreach

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Item 16 - File 30-90-7

**Department:** Department of Public Health, Division of Mental Health Programs, Community Mental Health Services

**Proposed Action:** The proposed resolution would approve the City's Short-Doyle Plan (Part B) for mental health services for fiscal year 1989-90.

**Description:** The final Short-Doyle Plan (Part B) details the City's mental health services programs and describes requirements to receive services, descriptions of various service programs and a budget of proposed City costs of providing mental health services.

The Short-Doyle Plan was prepared for submission to the State of California, Department of Mental Health. Approval of this plan by the Board of Supervisors is required by the Short-Doyle Act before the State will release the City's full Short-Doyle allocation. The Short-Doyle Plan (Part B) program budget is as follows:

	<u>Fiscal Year</u> <u>1988-89</u>	<u>Fiscal Year</u> <u>1989-90</u>	<u>Increase</u> <u>(Decrease)</u>
State Short-Doyle Funds	\$35,814,832	\$35,675,620	\$(139,212)
Miscellaneous Revenues*	23,438,690	25,761,888	2,323,198
Required City Match	4,579,173	4,582,083	2,910
City Overmatch	<u>29,475,580</u>	<u>29,855,816</u>	<u>380,236</u>
Program Total	\$93,308,275	\$95,875,407	\$2,567,132

\*Grants, patient fees, patient insurance, Medi-Cal (both Federal and non-Federal) and Medicare.

**Comments:** 1. The City's required Short-Doyle match and overmatch are funded by the General Fund. The \$4,582,083 required match in FY 1989-90 is based on a 10 percent match for inpatient services and a 15 percent match for outpatient services. The City's \$29,855,816 overmatch in FY 1989-90 is the City's contribution to mental health programs beyond the level required by Short-Doyle.

2. The preliminary Short-Doyle Plan (Part A) for mental services for fiscal year 1989-90 was approved by the Board of Supervisors in August, 1989 (File 186-89-18).

3. The Short-Doyle Plan has been approved by the Mental Health Advisory Board's Planning and Policy Committee.

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4. The Short-Doyle Plan includes all of the mental health service programs previously approved by the Board of Supervisors in the City's budget and proposed programs that are subject to future approvals of grant and other State funding sources by the Board of Supervisors.

**Recommendation:** Approve the proposed resolution.





Item 17 - File 130-90-2

**Department:** Adult Probation

**Item:** Resolution authorizing the Chief Probation Officer to increase the amount of local matching funds allocated to a program entitled, "Gang Caseloads Component of the Intensive Services Unit," a grant project funded by the State of California's Office of Criminal Justice Planning (OCJP).

**Amount:** \$4,821

**Source of Funds:** Existing Adult Probation budgeted funds for local share of grants.

**Description:** This program, with budgeted expenditures of \$55,333 consisting of \$41,500 (75%) in State OCJP grant funds and \$13,833 (25%) in local matching funds, provides greater protection to San Francisco communities through intensive supervision and surveillance of Latino males between the ages of 18 and 30 who are on probation for gang-related criminal activity. The local match funding for this program was authorized by the Board of Supervisors for FY 1989-90 in July of 1989. The program has been in operation since 1986.

The Department has assigned one Probation Officer position to handle the program's caseload. On November 13, 1989, the Civil Service Commission approved the reclassification of this position from an entry level 8440 Probation Officer (\$38,974 annually, at the top step) to an 8442 Senior Probation Officer (\$42,900 annually, at the top step) based on the difficulty and complexity of the work involved. The person currently in the position is eligible for the new Senior Probation Officer position.

In order to account for the increased cost of the reclassification, the Department has proposed to increase the local match by \$4,821, from \$13,833 to \$18,654. The Department had originally budgeted enough funds for a 40 percent match to the grant program for FY 1989-90, because the State had proposed to increase the match requirement from 25 percent to 40 percent. However, the State decided to keep the match requirement at 25 percent, and as a result, the Department has sufficient funds budgeted for local matches to grants to pay for the increased cost of the reclassification.

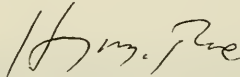
**BOARD OF SUPERVISORS**  
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**Comments:**

With the proposed increase in the local match, the budgeted cost of the grant program would increase to \$60,154. The increased local match is approximately 31 percent of the total budgeted cost of the program for FY 1989-90. Mr. Roy Ellender, the Business Manager for the Adult Probation Department, reports that for FY 1990-91, the State will not increase the grant allocation beyond the 75 percent share of \$41,500 allocated in FY 1989-90. Therefore, the City will be required to fund the increased personnel costs, and the effective local match in funding will remain at least 31 percent of the total program costs in FY 1990-91.

**Recommendation:** Approve the proposed resolution.

  
Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey



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CALENDAR - [ACTIONS TAKEN]  
MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, MAY 16, 1990 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

ABSENT: SUPERVISOR MAHER, Items 1a, 1c, 1d, 1e, 1f, 1g, 1h, 1i, 1j, and 1m.

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - a) File 25-90-11. [Airport Administration] Resolution approving the Controller's certification that parking management services for San Francisco International Airport can practically be performed by private contractor at a lower cost for the year commencing July 1, 1990 than if work were performed by City employees at presently budgeted levels. (Airports Commission).
  - b) File 25-90-12. [Contracting Out City Services] Resolution concurring with the Controller's certification that maintenance of City-owned parking lots can be performed by private contractor for a lower cost than similar work services performed by City and County employees. (Parking and Traffic Commission).
  - c) File 31-90-4. [Employee Replacement] Resolution approving immediate filling of a vacated position of 1882 Director Controller's Information Service Division. (Controller).
  - d) File 89-90-7. [State Disability Insurance] Resolution authorizing enrollment of Classification 7389 Metalsmith in the State Disability Insurance Program. (Mayor's Office of Employee Relations Division).
  - e) File 172-90-7. [Agreement] Resolution authorizing the Chief Probation Officer of the Juvenile Court to continue an agreement with Contra Costa Girls' Center for placement of certain committed female wards from San Francisco. (Juvenile Probation Department).

- f) File 172-90-8. [Agreement] Resolution authorizing the Chief Probation Officer of the Juvenile Court to renew a contract with the California Youth Authority for diagnostic and treatment services and temporary detention not to exceed 90 days. (Juvenile Probation Department).
- g) File 172-90-9. [Agreement] Resolution authorizing the Chief Probation Officer of the Juvenile Court to continue an agreement with San Mateo County for the placement of certain male wards from San Francisco. (Juvenile Probation Department).
- h) File 101-88-118.3. [Release of Funds] Requesting release of reserved funds, Parking and Traffic Commission, in the amount of \$515,350, to fund costs of design and site preparation of the new parking lot (2450-2470 California Street). (Parking and Traffic Commission)
- i) File 148-90-2. [Grant - Federal Funds] Resolution authorizing the Director of Public Works to apply for, accept and expend Federal funds in the amount of \$6,868,000 for the pavement renovation of various streets as listed in this resolution. (Department of Public Works)
- j) File 101-89-21.3. [Release of Funds] Requesting release of reserved funds, Department of Public Works, in the amount of \$5,135,569, for 1987 Street and Safety Improvements Bond, Phase II Projects. (Department of Public Works)
- k) File 101-89-34.2. [Release of Funds] Requesting release of reserved funds, Public Library, in an amount totalling \$286,390, (\$17,400 from Miscellaneous Costs, 142,905 in salaries and \$38,585 for fringe benefits from the second year salaries, and \$87,500 for Bureau of Architecture Project Manager position). (Public Library)
- l) File 101-89-89.1. [Release of Funds] Requesting release of reserved funds, Public Library, in the amount of \$25,000, from Professional Services Fund, to fund a contract with an asbestos environmental consultant. (Public Library)
- m) File 146-90-32. [Grant - State Funds] Resolution rescinding Resolution Nos. 541-88, 931-88 and 157-90 and authorizing the Department of Public Health, Community Public Health Services, Family Health, to apply for, accept and expend a grant from California Department of Health Services/Office of Family Planning Contract No. 88-93976, A-2, in the amount of \$908,384 for family planning services, for a grant period of July 1, 1988 to June 30, 1991, and making grant funds subject to appropriation by the Board of Supervisors. (Mayor)

- n) File 153-90-1.1. To consider release of \$167,000, Department of Social Services, for a Rental Deposit Guarantee Program for people made homeless by the earthquake on October 17, 1989. (Supervisor Walker)

ACTION: ITEMS 1b, 1h, 1j, 1k, 1l, and 1n SEVERED.  
REMAINDER OF CONSENT CALENDAR RECOMMENDED.

ITEM 1b, File 25-90-12. RECOMMENDED.

ITEM 1h, File 101-89-118.3. RELEASE OF \$515,350  
RECOMMENDED. FILED.

ITEM 1j, File 100-89-21.3. RELEASE OF \$5,135,569  
RECOMMENDED. FILED.

ITEM 1k, File 101-89-34.2. HEARING HELD. RELEASE OF  
\$282,190 RECOMMENDED. FILED.

ITEM 1l, File 101-89-34.89.1. HEARING HELD.  
CONTINUED TO CALL OF THE CHAIR.

Item 1n, File 153-90-1.1. HEARING HELD. RELEASE OF  
\$167,000 RECOMMENDED. FILED.

#### REGULAR CALENDAR

2. File 282-89-1. Hearing to consider a uniform policy for imposition of user fees by all City agencies and departments. (Supervisor Gonzalez)

(Continued from 4/25/90)

ACTION: CONTINUED TO CALL OF THE CHAIR.

3. File 114-90-4. [Fees] Ordinance amending Part II, Chapter I, of the San Francisco Municipal Code (Building Code) by amending Section 332.3 thereof, to modify the amount of the investigation fee for performing work without a permit. (Supervisor Hongisto)

ACTION: CONTINUED TO CALL OF THE CHAIR.

4. File 101-89-128. [Government Funding] Ordinance appropriating \$57,575, Department of Public Health, for permanent salaries-miscellaneous and related mandatory fringe benefits, travel, telephone, materials and supplies, rental of property and data processing/word processing equipment; for the creation of four positions. RO #9266. (Controller) (companion to File 102-89-47)

ACTION: CONTINUED TO CALL OF THE CHAIR.

5. File 102-89-47. [Public Employment] Ordinance amending Annual Salary Ordinance, 1989-90, Department of Public Health, Central Office, reflecting the addition of four positions (Classifications 1446 Secretary II, 1844 Sr. Management Assistant, 2822 Health Educator, and 2825 Sr. Health Educator). (Civil Service Commission) (companion to File 101-89-128)

ACTION: CONTINUED TO CALL OF THE CHAIR.



6. File 101-89-130. [Government Funding] Ordinance appropriating \$1,133,556, Controller - ISD, for permanent salaries and related mandatory fringe benefits, data processing/word processing professional services, data processing/word processing equipment maintenance, training and interdepartmental recovery, for the creation of one position. RO #9274 (Controller) (companion measure to File 102-89-48)

ACTION: AMENDED TO REDUCE TOTAL APPROPRIATION TO \$797,783. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$797,783, CONTROLLER - ISD, FOR PERMANENT SALARIES AND RELATED MANDATORY FRINGE BENEFITS, DATA PROCESSING/WORD PROCESSING PROFESSIONAL SERVICES, DATA PROCESSING/WORD PROCESSING EQUIPMENT MAINTENANCE, TRAINING AND INTERDEPARTMENTAL RECOVERY, FOR THE CREATION OF ONE POSITION." RECOMMENDED AS AMENDED.

7. File 102-89-48. [Public Employment] Ordinance amending Annual Salary Ordinance, 1989-90, Controller, reflecting the addition of one position (Classification A978 Senior Database Administrator). (Civil Service Commission) (companion measure to File 101-89-130)

ACTION: RECOMMENDED.

8. File 170-90-6. [Mortgage Revenue Bonds] Resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of qualified mortgage bonds. (Mayor's Office of Housing)

ACTION: RECOMMENDED.

9. File 101-89-134. [Government Funding] Ordinance appropriating \$40,000, Public Health, for medical service contract (Wellness Program) for fiscal year 1989-90. (Supervisor Walker)

ACTION: RECOMMENDED.

10. File 270-90-11. [Mayor's Earthquake Emergency Relief Fund Expenditure] Resolution approving expenditure of \$180,000 from the Mayor's Earthquake Emergency Relief Fund to manufacture and install signs and employ parking control officers to enforce traffic control, and urging the Mayor and the Department of Public Works to file for reimbursement of these funds from FEMA. (Supervisor Walker)

ACTION: AMENDED. SEE FILE FOR DETAIL. NEW TITLE: [Mayor's Earthquake Emergency Relief Fund Expenditure] RESOLUTION APPROVING EXPENDITURE OF \$75,000 FROM THE MAYOR'S EARTHQUAKE EMERGENCY RELIEF FUND TO MANUFACTURE AND INSTALL SIGNS AND TO DESIGN, REPRODUCE AND DISTRIBUTE POCKET SIZED MAPS THROUGHOUT THE BAY AREA, AND URGING THE MAYOR AND THE DEPARTMENT OF PUBLIC WORKS TO FILE FOR REIMBURSEMENT OF THESE FUNDS FROM FEMA." RECOMMENDED AS AMENDED.

NOTE: It is the intention of the Chair to entertain a motion to table the following item.

11. File 270-90-9. [Mayor's Earthquake Emergency Relief Fund Expenditure] Resolution approving expenditure of \$32,000, for payment to San Francisco Alive for providing services related to obtaining disaster relief assistance for San Francisco residents. (Supervisor Alioto)

ACTION: TABLED.



CITY AND COUNTY



OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

May 16, 1990

TO: Finance Committee

DOCUMENTS DEPT.

FROM: Budget Analyst

MAY 17 1990

SUBJECT: May 16, 1990 Finance Committee Meeting

SAN FRANCISCO  
PUBLIC LIBRARY

Item 1a - File 25-90-11

**Department:** Airports Commission

**Proposed Action:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:**

Parking management services, which include (1) collecting parking fees, (2) roving parking lot security officers, (3) regulating the number of taxis at the various terminal taxi stands, (4) controlling traffic in and out of parking lots to avoid gridlock and (5) parking lot janitorial maintenance.

**Description:**

The Controller has determined that contracting for these parking management services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City Operated Services</u>		
Salaries and Fringe Benefits	\$6,763,709	\$7,954,087
Operating Expenses	<u>1,183,361</u>	<u>1,183,361</u>
Total	\$7,947,070	\$9,137,448
<u>Contracted Service Cost</u>	<u>7,835,000</u>	<u>7,835,000</u>
<u>Estimated Savings</u>	\$112,070	\$1,302,448

The Controller identified salaries for 169 employment classifications including 12 management and office clerical staff, 9 supervisors, 55 cashiers, 6 inventory lot checkers, 9 valet attendants, 24 taxi dispatchers, 36 security policy officers and 18 janitorial workers.

**Comments:**

1. Parking management services were first certified as required by Charter Section 8.300-1 in 1980 and have been provided by an outside contractor since 1971.
2. The one-year contract, which expires June 30, 1990, is with Airport Parking Management. The \$7,835,000 contracted services cost used for purposes of this analysis is a seven percent increase over the current contract amount of \$7,314,000, and is based on the contractor's projected expenditures for FY 1990-91.
3. The Controller's supplemental questionnaire with the Airport Commission's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISOR**  
**BUDGET ANALYST**

**CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE**

Department Airports Commission  
Parking Facilities at San Francisco International Airport  
Contract Services Operating Agreement for Public Automobile.

For the term starting approximately July 1, 1990 through June 30, 1991

1) Who performed services prior to contracting out?

Not applicable - always contracted out.

2) Number of City employees laid off as a result of contracting out?

None

3) Explain disposition of employees if they were not laid off.

Not applicable - always contracted out.

4) What percent of a City employee's time is spent on services to be contracted out?

Not applicable - always contracted out.

5) How long have the services been contracted out?

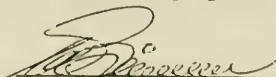
Current operator has been operating the facilities since October 16, 1971.

6) When was the first fiscal year for a Proposition J certification?

1980-1981

7) How will contract services meet the goals of your MBE/WBE Action Plan?

The contractor is required by the Airports Commission to select a minority or women business enterprise (MBE/WBE) as an auditor. The HRC monitors the Affirmative Action Agreement that requires contractor to solicit MBE/WBE's to perform contractual services, as needed (i.e.: security, maintenance and janitorial) pursuant to Section 7 of the Operating Agreement.



Department Representative  
Duke Briscoe

(415) 876-2112

Telephone



Item 1b - File 25-90-12

**Department:** Parking Authority

**Proposed Action:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Cleaning and Landscape Maintenance of City-owned Parking Lots.

**Description:** The Controller has determined that contracting for these cleaning and landscape maintenance services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operating Service Costs</u>		
Salaries	\$169,474	\$202,087
Fringe Benefits	47,089	54,509
Operating Expenses	<u>22,000</u>	<u>22,000</u>
Total	\$238,563	\$278,596
<u>Contracted Service Cost</u>	<u>83,444</u>	<u>83,444</u>
<u>Estimated Savings</u>	\$155,119	\$195,152

**Comments:**

1. Cleaning and landscape maintenance services were first certified as required by Charter Section 8.300-1 in 1985 and have been provided by an outside contractor since then.
2. The current two-year contract, which expires June 30, 1991, is with Custodian Janitorial Services. The contracted service cost used for the purpose of this analysis is an informal bid from the current contract.
3. The Controller's supplemental questionnaire with the Parking Authority's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE**

Department PARKING AUTHORITY

Contract Services Cleaning and Landscape Maintenance Service Contract for neighborhood parking facilities.

For the term starting approximately July 1, 1990 through June 30, 1991

- 1) Who performed services prior to contracting out?

Service has been contracted out for over five years. Prior to that time Bureau of Street Cleaning and Urban Forestry performed work.

- 2) Number of City employees laid off as a result of contracting out?

None, to my knowledge.

- 3) Explain disposition of employees if they were not laid off.

Re-assigned other responsibilities.

- 4) What percent of a City employee's time is spent on services to be contracted out?

Unknown

- 5) How long have the services been contracted out?

Since May, 1985

- 6) When was the first fiscal year for a Proposition J certification?

1984/85

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

Current contractor is a minority-owned business.

Kevin M. Hagerty

Department Representative

558-4675

Telephone

Item 1c - File 31-90-4

**Department:** Controller

**Proposed Action:** Resolution approving the immediate filling of a vacant position.

**Position:** 1882 Director, Controller's Information Services Division

**Retirement Date:** April 27, 1990

**Normal Refill Date:** July 9, 1990

**Proposed Refill  
Date:** May 22, 1990

**Funding Needed:** \$14,158 (34 days @ \$416.40)

**Proposed Funding  
Source:** Surplus from Permanent Salaries

**Description:** Section 10, Subsection 1 of the current Annual Appropriation Ordinance permits immediate filling of a position left vacant due to death or retirement of an incumbent when a lump sum payment is made for accumulated sick leave and/or vacation. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the General Manager, Personnel and the Mayor and approval by resolution of the Board of Supervisors.

**Comments:** 1. The incumbent Director retired on April 27, 1990 and will be paid for 398.5 hours of accumulated sick leave, which prevents refilling this position before July 9, 1990. The incumbent was hired prior to June 5, 1978, and therefore was entitled, under the vested sick leave program, to payment for accumulated sick leave.

2. The Controller reports that the Director of the Information Services Division (ISD) is a critical member of the Controller's senior management team. This position, which oversees a division with a budget of approximately \$20 million and a staff of approximately 290, is responsible for the delivery of data processing services to over 30 City departments. These services include, operation of the ISD City Hall and Hall of Justice Data Centers, telecommunications networks and the development and maintenance of key departmental information systems such



Memo to Finance Committee  
May 16, 1990

as FAMIS, Citywide payroll, Social Services and property taxes.

**Recommendation:** Approve the proposed resolution.



Item 1d - File 89-90-7

1. The proposed resolution would authorize classification 7389 Metalsmith to enroll in the State Disability Insurance (SDI) Program. The cost of SDI coverage would be paid by the employees through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

2. SDI pays disability benefits to employees who suffer a non-industrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is 0.9% of the first \$25,149 of gross salary for each employee (maximum of \$226.34 annually). While SDI coverage is mandatory for all employees within bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification requests coverage.

3. The 7389 Metalsmith classification, which is not represented by a bargaining unit, would be authorized to enroll in the State Disability Program under this proposed ordinance. There are currently four employees in this classification.

4. The Employee Relations Division reports that it has received a letter requesting coverage signed by three of the four employees in the 7389 Metalsmith classification.

Recommendation

Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 1e - File 172-90-7

**Department:** Juvenile Court

**Item:** Resolution authorizing the Juvenile Court to continue an agreement with Contra Costa Girl's Center

**Purpose of Agreement:** Place female wards of the San Francisco Juvenile Court at the Contra Costa County Girl's Center

**Amount:** \$2,193 per month or \$26,316 annually per ward of the Juvenile Court

**Term of Agreement:** July 1, 1990 through June 30, 1991

**Source of Funds:** General Fund to be included in the Juvenile Court FY 1990-91 budget

**Description:** The proposed resolution would authorize the Juvenile Court to continue an agreement with Contra Costa County to place female wards of the San Francisco Juvenile Court at the Contra Costa Girl's Center. There is no long-term detention facility for delinquent girls in San Francisco.

**Comments:**

1. The Juvenile Court included an amount of \$78,948 in its FY 1989-90 departmental budget for placement of female wards at the Contra Costa Girl's Center. Mr. Jawaid Ijaz, Business Manager of the Juvenile Court reports that six female wards have been placed at the Center at a cost of \$47,000 for the first nine months of FY 89-90 (July 1989 through March 1990). Mr. Ijaz projects that, based on the expenditures through March of 1990, a total of \$62,666 will be expended for these placement services in FY 1989-90. Mr. Ijaz advises that the Juvenile Court has included an amount of \$63,000 in its FY 1990-91 departmental budget request for these placement services.
2. As noted above, under the proposed agreement the monthly and annual rates to be charged per ward of the Juvenile Court, are \$2,193 and \$26,316 respectively. These rates are the same as the rates charged for FY 1989-90.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 1f - File 172-90-8

**Department:** Juvenile Court

**Item:** Resolution authorizing the Juvenile Court to renew a contract with the California Youth Authority.

**Purpose of Contract:** Diagnosis and treatment of juveniles at California Youth Authority facilities, as needed.

**Amount:** \$3,120 per month per juvenile or 1/30 of that amount (\$104) per day per juvenile for stays not to exceed 90 days

**Contract Period:** July 1, 1990 through June 30, 1991

**Source of Funds:** General Fund to be included in the FY 1990-91 budget.

**Description:** The California Youth Authority (CYA) located in Sacramento County provides diagnostic and treatment services and temporary detention of minors. San Francisco juveniles, who are in need of more intensive screening or incarceration than is available for the City's Juvenile Hall, are sent to the CYA by the Juvenile Court. The CYA conducts psychological testing and diagnosis, evaluates social histories and prepares recommendations for case disposition. According to State law, juveniles can be detained for diagnostic treatment and observation for up to 90 days.

**Comments:** 1. The amount spent on this contract depends on the number of juveniles and the duration of each juvenile's stay at the CYA facilities. Under the proposed contract, the cost per day for each juvenile would be \$104, which is the same as the cost for the current year. Mr. Jawaid Ijaz, Business Manager of the Juvenile Court reports that the Department has included an amount of \$45,000 in its FY 1990-91 departmental budget request for CYA services.

2. The per placement cost of diagnosis and treatment at CYA facilities is set by the State at a standard rate for all Juvenile Courts in California. The City does not have an opportunity to negotiate with the State regarding the rates charged.

3. The Juvenile Court budgeted a total of \$45,000 in its FY 1989-90 departmental budget for CYA services. According to Mr. Ijaz, for the first nine months of FY 1989-90 (July 1989 through March 1990) expenditure for CYA services totaled \$39,520. Mr. Ijaz projects that, based on the expenditures through March of 1990, a total of \$52,693 will be expended for CYA services in FY 1989-90. The \$52,693 in projected

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expenditures exceeds the amount budgeted for these services by \$7,693. Mr. Ijaz advises that the funding for the CYA services is included in the department's Maintenance of Minors account which has a total of \$286,082 budgeted for FY 1989-90. According to Mr. Ijaz, there are sufficient surplus funds in the Maintenance of Minors Account to fund the projected \$7,693 shortfall between the \$45,000 budgeted for the CYA services and the \$52,693 in projected expenditures for FY 1989-90.

**Recommendation:** Approve the proposed resolution.

Memo to Finance Committee  
May 16, 1990

Item 1g - File 172-90-9

**Department:** Juvenile Court

**Item:** Resolution authorizing the Juvenile Court to renew an agreement with San Mateo County.

**Purpose of Agreement:** Place male wards of the San Francisco Juvenile Court at San Mateo County's Glenwood Facility.

**Amount:** \$1,650 per month or \$19,800 annually per ward of the Juvenile Court

**Term of Agreement:** July 1, 1990 through June 30, 1991

**Source of Funds:** General Fund to be included in the FY 1990-91 budget.

**Description:** The proposed legislation would authorize the Juvenile Court to renew an agreement with San Mateo County to place male wards of the San Francisco Juvenile Court at San Mateo County's Glenwood facility. The Juvenile Court uses the Glenwood facility as an alternative to Log Cabin Ranch, for placements of male wards ages 14 and under.

**Comments:** 1. The Juvenile Court budgeted a total of \$29,000 in its FY 1989-90 departmental budget, for these placement services. According to Mr. Jawaid Ijaz, Business Manager, of the Juvenile Court, for the first six months of FY 1989-90 (July, 1989 through December, 1989) expenditures for the placement of male wards at the Glenwood facility totaled \$3,992. Mr. Ijaz projects that, based on the expenditures through December of 1989, a total of \$7,984 will be expended for these placement services in FY 1989-90. Mr. Ijaz advises that the Juvenile Court has included an amount of \$25,000 in its FY 1990-91 departmental budget request for these placement services.

2. According to Mr. Ijaz, the projected expenditure for placing male wards of Juvenile Court at the Glenwood facility for the current fiscal year, represents a significant decrease from the average annual expenditures of approximately \$29,000 for the preceding four fiscal years. Mr. Ijaz adds that because the level of expenditures is determined by the number of wards that are placed and the duration of each wards stay, that fluctuations in expenditures can occur from year-to-year. Therefore, it is necessary to maintain the budget at \$25,000 in order to meet a

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potential increase of referrals from the Juvenile Court in FY 1990-91.

3. As noted above, under the proposed agreement the monthly and annual rates to be charged per ward of the Juvenile Court, are \$1,650 and \$9,800 respectively. These rates are the same as the rates charged for FY 1989-90.

**Recommendation:** Approve the proposed resolution.



Memo to Finance Committee  
May 16, 1990

Item 1h -File 101-88-118.3

**Department:** Department of Parking and Traffic  
Parking Authority

**Item:** Release of reserved funds previously approved for the California Street Parking Project. The funds were reserved pending the preparation of cost estimates for the design and site preparation of the new parking lot.

**Amount:** \$515,350

**Source of Funds:** Off-Street Parking Fund

**Description:** On May 22, 1989, the Board of Supervisors approved a supplemental appropriation of \$3,500,000 for the acquisition of 2444-2470 California Street for the development of an off-street surface parking facility (Ordinance No. 184-89). Of the \$3,500,000 appropriated, \$50,000 was released to conduct core soil sampling and toxic testing on the site, and \$3,450,000 was reserved pending the agreement of the California Street property owner to sell the property to the City or pending the outcome of any condemnation proceedings required to acquire the property by eminent domain.

On November 29, 1989, the Finance Committee released \$2,600,000 of the \$3,450,000 on reserve (leaving a balance of \$850,000 on reserve) to deposit with the Court to allow the Parking Authority to acquire the property at 2444-2470 California Street by eminent domain proceedings and an order of immediate possession. The Parking Authority has statutory authority under State law to find and declare the need for eminent domain. As the Court is expected to grant an order of immediate possession by May 15, 1990, the Parking Authority is requesting funds for design, demolition and other related costs.

The property to be acquired, Lots 9 and 9A in Assessor's Block 635, is situated on the north side of California Street, between Fillmore and Steiner Streets (see attachment). The proposed parking facility would be a 60-space metered surface parking lot to be operated by the Parking Authority. The site would contain approximately 18,658 square feet. The site currently contains an open lot and a two-story auto repair garage which would be demolished at the time the proposed parking facility is developed. The Board of Supervisors has already adopted a Final Negative Declaration which finds and determines that the proposed

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parking facility will have no significant impact on the environment.

**Proposed Budget:** Department of Public Works (DPW) Bureau of Engineering has provided preliminary cost estimates for the development of the proposed surface parking facility on California Street, as follows:

<u>Description</u>	<u>Amount</u>
Design:	
Surveys	\$9,000
Planning	14,000
Construction documents and specs.	30,000
Construction management	29,000
Lab testing	<u>4,000</u>
Subtotal	\$86,000
Construction:	
Demolition	\$80,000
Grading and site preparation	21,000
Paving (800 tons @ \$70/ton)	56,000
Concrete curbs (733 lf. @ \$15/lf.)	11,000
New sidewalks (1,833 lf. @ \$6/lf.)	11,000
Low barrier wall (133 lf. @ \$150/lf.)	20,000
Drainage	16,000
Lighting	40,000
Meters, striping signage	16,000
Planting and irrigation	21,000
Contractor's profit and overhead (15%)	44,000
Contingency (10%)	<u>34,000</u>
Subtotal	370,000
Other Costs:	
Underground tank soil contamination assessment	\$12,000
Asbestos assessment	500
Tank removal/contaminated soil removal	*
Replacement or reinforcement of one existing retaining wall	<u>*</u>
Subtotal	12,500
Contingency @ 10%	<u>46,850</u>
Total	<u>\$515,350</u>

\* Cost is unknown. See comment 5 below.

**BOARD OF SUPERVISORS**  
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**Comments:**

1. The Parking Authority will officially become a Division of the new Department of Parking and Traffic on July 1, 1990.
2. The proposed surface parking facility is located in the Upper Fillmore Neighborhood Commercial District, which, according to the Department of City Planning, has been identified as the sixth highest priority neighborhood area in terms of its severity of parking need. Mr. Kevin Hagerty of the Parking Authority advises that if the parking demands in this area increases, a parking garage could be built on this site (in addition to this proposed 60-space metered surface parking lot) to accommodate additional parking spaces in the future.
3. The estimated annual net revenues from the proposed parking lot is approximately \$28,000 annually. Based on total funds approved for acquisition and development costs of \$3,500,000 and estimated annual revenues of approximately \$28,000, the purchase and preparation costs would be paid back within 125 years. However, the main purpose of this project is to create additional parking in the Upper Fillmore area, not specifically to generate revenues, and the Parking Authority reports that this property is the only available site in the area where a parking lot could be developed.
4. As noted earlier, as the result of eminent domain proceedings, the Court determines the amount that the Parking Authority pays to the property owner for the property. According to Mr. Hagerty, if the Court determines an acquisition price which is higher than the \$2.6 million previously released, the Parking Authority anticipates that the balance would be funded from the remaining \$334,650 on reserve for the subject parking facility (\$850,000 minus this proposed request for \$515,350). If additional funds are needed, such funds would be requested from the Off-Street Parking Fund which has a balance of \$5,367,070 as of April 27, 1990.
5. As identified above in the proposed budget, the costs associated with the tank removal/contaminated soil removal and the replacement or reinforcement on one existing retaining wall will be unknown until assessment reports are completed. According to Mr. Hagerty, it is anticipated that these additional costs may be covered by the budget contingency or by the remaining \$334,650 on reserve for the subject parking facility.

6. A recap of the estimated costs for the California Street Parking Project, and the balance of monies on reserve from the previously appropriated \$3,500,000, is as follows:

Core Soil Sampling and Toxic Testing	\$ 50,000
Acquisition Cost (Eminent Domain)	2,600,000
Design and Development *	<u>515,350</u>
Subtotal	\$3,165,350

Remaining Funds on Reserve	<u>334,650</u>
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Total	\$3,500,000
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\* Subject of this request to release a reserve

7. Deputy City Attorney Andrew Schwartz advises that a court order of immediate possession should be finalized by May 15, 1990 which would allow the demolition and construction to begin in a timely manner.

**Recommendation:** Approve the requested release of reserved funds.







Item 1i - File 148-90-2

**Department:** Department of Public Works

**Item:** Resolution authorizing the Director of Public Works to apply for, accept, and expend federal funds for the pavement renovation of various streets.

**Amount:** \$6,868,000

**Source of Funds:** Federal Aid Urban System Grant Program (FAU).

**Description:** In January of 1989, the Board of Supervisors adopted Resolution No. 13-89, which approved the City's 1989 five year FAU System Program. The federal government has allocated FAU funds for FY 1989-90 for use in carrying out the City's Combined Road Plan, previously known as the FAU System Program.

FAU funds are used for a variety of street and transit projects including installation of traffic signals, repaving of roadways, and reconstruction of Municipal Railway projects.

This proposed resolution would authorize the Director of Public Works to apply for, accept, and expend FAU monies for FY 1989-90 to fund the cost of resurfacing various streets listed in the five year plan. Streets to be funded are listed in the attachment, with specific FAU funded projects outlined in boxes.

**Comments:** As shown in the attachment, the proposed projects will be funded through a combination of State Gas Tax revenues, 1987 Street Improvement Phase I and Phase II bond funds, as well as the FAU grant monies. The Board of Supervisors appropriated \$12 million but reserved \$9,150,569 of the Phase II bond funds in October of 1989. DPW has requested that the reserve placed on the Phase II bond funds be released in order to secure funding for all of the projects on the list. This request for release of reserve is the subject of item 1j, file 101-89-21.3, of this report.

**Recommendation:** Approve the proposed resolution.

## P H A S E   I   P R O J E C T S

Job Order Number	PROJECT TITLE	Gas Tax	Other	FAU Grant	Phase I Bonds	Phase II Bonds	Total Project Cost
5292E	Geary Underpass (Geary & Fillmore)	\$ 260,400	\$ 0	\$ 0	\$ 289,600	\$ 200,000	\$ 750,000
5707E	Great Highway Reconstruction (Lincoln Way to Fulton)	96,000	0	0	44,000	326,000	466,000
6261E	Concrete Street #1	203,995	26,666	0	173,339	1,287,000	1,691,000
6333E	16th Street & 3rd Street (San Bruno Ave. to 3rd St. and Evans to Jamestown)	15,000	0	0	96,000	2,023,000	2,134,000
6406E	BSSR Bond Work	0	0	0	500,000	500,000	1,000,000
6436E	(Fiscal Year 89-90)						
5701E	AC Plant	0	0	0	0	1,362,431	1,362,431
6322E	Alemany Street (San Jose Ave. to Bayshore Blvd.)	5,000	0	2,000,000	146,000	349,000	2,500,000
6321E	Dolores Street & 24th St. (15th to 25th Sts. and Potrero Ave. to Church St.)	10,000	0	826,000	190,000	160,000	1,186,000
6429E	Lincoln Way & Stanyan St. (3rd Ave. to 19th Ave. and Oak to Grattan Sts.)	0	0	368,000	94,000	76,000	538,000
6430E	Masonic Avenue (Presidio to Frederick)	58,600	0	412,400	0	68,000	539,000
6451E	Oakdale Avenue (3rd St. to Bayshore Blvd.)	\$ 39,700	\$ 0	\$ 249,300	\$ 0	\$ 39,000	\$ 328,000



1 9 8 7    S T R E E T    &    S A F E T Y    I M P R O V E M E N T S    B O N D  
P H A S E   I I   P R O J E C T S

Job Order Number	PROJECT TITLE	Gas Tax	Other	FAU	Phase I Bonds	Phase II Bonds	Total Project Cost
				Grant			
6503E	Gough Street (Haight to Fell Sts. and Grove to Sacramento Sts.)	\$ 0	\$ 0	\$ 409,600	\$ 80,400	\$ 62,000	\$ 552,000
6509E	Franklin & Jones Sts. (Golden Gate to Pacific Aves. and McAllister to Pine Sts.)	0	0	518,000	70,000	123,000	711,000
6538E	Pine Street (Taylor to Presidio)	0	0	732,800	104,200	231,000	1,068,000
6537E	Fillmore & Haight Sts. (Duboce to Ellis and Gough to Stanyan)	0	0	713,000	100,000	171,000	984,000
6536E	Hunters Point Exp. & Jamestown St. (Gilman to Jamestown and Hunters Point Exp. to Harney)	0	0	158,900	48,100	89,000	296,000
6337E	Stockton Street (Columbus Ave. to Sutter St.)	40,000	0	480,000	89,000	0	600,000
6505E	San Bruno Avenue (Rickard St. to Bayshore Blvd.)	0	0	0	80,000	472,000	552,000
6436E	19th & Holloway Pedestrian Safety Improvements	0	0	0	0	200,000	200,000
XXXX	BSSR Bond Work (Fiscal Year 90-91)	0	0	0	0	246,569	246,569
Various	Earthquake Renovation of City Streets	0	0	5,728,000	0	4,015,000	9,743,000
T O T A L		\$728,695	\$26,666	\$12,596,000	\$2,095,639	\$12,000,000	\$27,447,000
TOTAL				\$ 6,868,000			

1 9 8 7    S T R E E T    &    S A F E T Y    I M P R O V E M E N T S    B O N D  
P H A S E    I I    P R O J E C T S

Job Order Number	PROJECT TITLE	Gas Tax	Other	FAU Grant	Phase I Bonds	Phase II Bonds	Total Project Cost
<u>UNFUNDED PROJECTS</u>							
6424E	Concrete Street #2	0	\$	0	\$	0	\$ 240,000    \$ 1,168,000    \$ 1,408,000
6453E	Mission Street (Duboce to Army)	\$ 87,125		0		32,875	440,000    560,000
6510E	Irving Street (Arguello to 29th Ave.)	0		0		80,000	472,000    552,000
6539E	Balboa Street (Arguello to 26th Ave.)	0		0		0	803,000    803,000
XXXX	Mission St. Pedestrian Overpass	0		0		0	400,000    400,000
XXXX	Islais Creek Interchange	\$	0	\$13,552,000	\$1,548,000	\$	0    \$ 400,000    \$15,500,000

J.O.  
4/12/90

Item 1j - File 101-89-21.3

**Department:** Department of Public Works

**Item:** Request for release of reserved funds

**Amount:** \$5,135,569

**Source of Funds:** Previously appropriated and reserved 1987 Street Improvement Bond funds.

**Description:** On November 6, 1989, the Board of Supervisors approved Ordinance No. 401-89 appropriating \$12,000,000 in 1987 Street Improvement Bond funds. However, due to the October 17, 1989 earthquake, \$9,150,569 was placed on reserve in order to fund the repair of any earthquake-damaged streets. The Finance Committee, at its meetings of December 6 and 14, 1989, subsequently approved release of \$739,000 and \$3,276,000, respectively, to repair earthquake-damaged streets and road structures.

The Department requests release of the remaining \$5,135,569 in 1987 Street Improvement Bond funds on reserve to fund various street repair projects. DPW has furnished a list of projects for which the bond funds would be used (see attachment). All projects to be funded by these reserves are outlined in boxes).

**Comments:** 1. As shown in the attachment, the proposed projects will be funded through a combination of State Gas Tax revenues, the 1987 Street Improvement Bond funds, and FAU grant monies. The Director of Public Works has requested authorization to apply for, accept, and expend the FAU grant monies allocated in the attachment. That request is the subject of item 1i, file 148-90-2, of this report.

2. As stated above, the Finance Committee approved the release of reserve in the amounts of \$739,000 and \$3,276,000 for a total of \$4,015,000 to fund the repair of earthquake-damaged streets. Some or all of these funds will be reimbursed by FEMA and the State upon completion of the repair projects. To date, Mr. Vitaly Troyan of DPW estimates that the City will be reimbursed for approximately \$2,000,000, or about one-half of the \$4,015,000 used for the earthquake related repairs. The remaining funds, estimated at \$2,000,000, will be used to partially fund the projects requiring Phase II bond funds listed on the attachment but not outlined in the boxes.

**Recommendation:** Approve the request for release of the reserved funds in the amount of \$5,135,569.

1 9 8 7     S T R E E T   &   S A F E T Y   I M P R O V E M E N T S   B O N D  
P H A S E   I I   P R O J E C T S

Job Order Number	PROJECT TITLE	Gas Tax	other	FAU Grant	Phase I Bonds	Phase II Bonds	Total Project Cost
5292E	Geary Underpass (Geary & Fillmore)	\$ 260,400	\$ 0	\$ 0	\$ 289,600	\$ 200,000	\$ 750,000
5707E	Great Highway Reconstruction (Lincoln Way to Fulton)	96,000	0	0	44,000	326,000	466,000
6261E	Concrete Street #1	203,995	26,666	0	173,339	1,287,000	1,691,000
6323E	16th Street & 3rd Street (San Bruno Ave. to 3rd St. and Evans to Jamestown)	15,000	0	0	96,000	2,023,000	2,134,000
6406E	BSSR Bond Work	0	0	0	500,000	500,000	1,000,000
6496E	(Fiscal Year 89-90)						
5701E	AC Plant	0	0	0	0	1,362,431	1,362,431
6322E	Alemany Street (San Jose Ave. to Bayshore Blvd.)	5,000	0	2,000,000	146,000	349,000	2,500,000
6321E	Dolores Street & 24th St. (15th to 25th Sts. and Potrero Ave. to Church St.)	10,000	0	826,000	190,000	160,000	1,186,000
6429E	Lincoln Way & Stanyan St. (3rd Ave. to 19th Ave. and Oak to Grattan Sts.)	0	0	368,000	94,000	76,000	538,000
6450E	Masonic Avenue (Presidio to Frederick)	58,600	0	412,400	0	68,000	539,000
6451E	Oakdale Avenue (3rd St. to Bayshore Blvd.)	\$ 39,700	\$ 0	\$ 249,300	\$ 0	\$ 39,000	\$ 328,000

1 9 8 7     S T R E E T     &     S A F E T Y     I M P R O V E M E N T S     B O N D  
P H A S E   I I   P R O J E C T S

Job Order Number	PROJECT TITLE	Gas Tax	Other	FAU Grant	Phase I Bonds	Phase II Bonds	Total Project Cost
6503E	Gough Street (Haight to Fell Sts. and Grove to Sacramento Sts.)	0	0	\$ 409,600	\$ 80,400	\$ 62,000	\$ 552,000
6509E	Franklin & Jones Sts. (Golden Gate to Pacific Aves. and McAllister to Pine Sts.)	0	0	518,000	70,000	123,000	711,000
6538E	Pine Street (Taylor to Presidio)	0	0	732,800	104,200	231,000	1,068,000
6537E	Fillmore & Haight Sts. (Duboce to Ellis and Gough to Stanyan)	0	0	713,000	100,000	171,000	984,000
6536E	Hunters Point Exp. & Jamestown St. (Gilman to Jamestown and Hunters Point Exp. to Harney)	0	0	158,900	48,100	89,000	296,000
6505E	San Bruno Avenue (Rickard St. to Bayshore Blvd.)	0	0	0	80,000	472,000	552,000
6436E	19th & Holloway Pedestrian Safety Improvements	0	0	0	0	200,000	200,000
XXXX	BSSR Bond Work (Fiscal Year 90-91)	0	0	0	0	246,569	246,569
Various City Streets	Earthquake Renovation of	0	0	5,728,000	0	4,015,000	9,743,000
T O T A L		\$688,695	\$26,666	\$12,116,000	\$2,015,639	\$12,000,000	\$26,847,000
					TOTAL	\$ 5,135,569	

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P H A S E   I I   P R O J E C T S

Job Order Number	PROJECT TITLE	Gas Tax	Other	FAU Grant	Phase I Bonds	Phase II Bonds	Total Project Cost
<u>UNFUNDED PROJECTS</u>							
6424E	Concrete Street #2	0	\$	0	\$	0	\$ 240,000    \$ 1,166,000    \$ 1,408,000
6453E	Mission Street (Duboce to Army)	\$ 87,125	0	0	32,875	440,000	560,000
6510E	Irving Street (Arguello to 29th Ave.)	0	0	0	80,000	472,000	552,000
6539E	Balboa Street (Arguello to 26th Ave.)	0	0	0	0	803,000	803,000
XXXX	Mission St. Pedestrian Overpass	0	0	0	0	400,000	400,000
XXXX	Islais Creek Interchange	\$	0	\$13,552,000	\$1,548,000	\$	0    \$ 400,000    \$15,500,000

J.O.  
4/12/90





Item 1k - File 101-89-34.2

**Department:** Public Library  
**Item:** Release of reserve  
**Amount:** \$286,390  
**Source of Funds:** 1988 Library Improvement Bond Funds

**Description:** In October, 1989, the Board of Supervisors approved a supplemental appropriation (File 101-89-34) of \$11,366,423 for the Public Library and placed \$3,940,277 of these funds on reserve pending completion of more detailed schedule and cost estimates for the Branch Libraries and expenditures beyond fiscal year 1989-90. On January 3, 1990, the Finance Committee released \$87,500 to cover the remaining FY 1989-90 costs for the Bureau of Architecture's Project Manager position.

The proposed request would release \$286,390 of these reserve funds for the following purposes:

Permanent Salaries

1- 3638 Chief Librarian	\$66,111
1- 1446 Secretary II	48,659
1- 3632 Librarian II	<u>28,135</u>
Total Permanent Salaries	\$142,905

Mandatory Fringe Benefits	\$38,585
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Bureau of Architecture - Project Manager	\$87,500
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Miscellaneous Costs	<u>\$17,400</u>
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Total	\$286,390
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**Comments:** 1. Ms. Karen Cox of the Public Library reports that the proposed cost for Permanent Salaries and Mandatory Fringe Benefits reflect the fiscal year 1990-91 cost to provide for the continued funding for the three existing Library Bond Program support positions. These costs include 1990-91 salary standardization increases at the current step level for each position.

2. The proposed \$87,500 cost for the Department of Public Work's (DPW) Bureau of Architecture Project Manager reflects approximately six months of costs for the Project Manager and supporting clerical assistance. Other than the proposed \$87,500, the Public Library's proposed release of reserve reflects the total costs for fiscal year 1990-91. Details on the costs for the Bureau of Architecture's Project Manager for fiscal year 1990-91 are not currently available from DPW. The Budget Analyst therefore recommends that DPW's Bureau of Architecture provide the necessary detail to the Public Library on the costs for fiscal year 1990-91, so that the Library can request the release of the necessary remaining funds.

3. Ms. Kathy Page of the Public Library reports that the \$17,400 Miscellaneous Costs includes both the already and projected to be incurred costs for fiscal year 1989-90 incurred and the anticipated fiscal year 1990-91 costs for photocopying, printing, postage, office supplies, small equipment, telephone, documents, computer software and travel. The estimated 1989-90 costs total \$4,050 and the anticipated 1990-91 costs total \$13,350, for a total of \$17,400. According to Ms. Page, the costs already incurred in 1989-90 were taken from the Public Library's General Fund budgeted costs and would be reimbursed, if the proposed release is approved. Ms. Cox reports that the Public Library was closed from October 17, 1989 through January 13, 1990, resulting in some savings from the Public Library's material and supplies account. Based on discussions with the Budget Analyst's Office, Ms. Page also reports that \$700 can be eliminated from the 1989-90 small equipment budget and \$500 can be eliminated from the 1989-90 travel budget for a total reduction of \$1,200 in 1989-90. In addition, the \$3,000 budgeted for out-of-state travel for 1990-91 can be eliminated. Together, these reductions total \$4,200. The proposed release of \$17,400 for Miscellaneous Costs should therefore be reduced by \$4,200 to \$13,200.

4. The three Library Bond Fund positions are anticipated to be needed through approximately 1995, when the new Main Library will be completed. These three positions will be included in the Public Library's 1990-91 budget. However, according to Mr. John Madden of the Controller's Office, although the positions will be included in the budget, the annual budget will not contain funds for the costs associated with the positions

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because these positions are being funded with the 1988 Library Improvement Bond Funds, which is also the subject of the proposed release of reserve funds.

5. Regarding the status of the New Main Library, Ms. Karen Cox of the Public Library reports that the final version of the Building Program Report, which identifies all of the space requirements, location and specifications for the new Main Library has been completed. Working with the Building Program Report, the architects design team is now preparing the schematic design for the Main Library. The schematic design plan is anticipated to be completed by October, 1990.

6. Concerning the improvements to the Branch Libraries, Ms. Cox reports that the Park and Presidio Branch Libraries have been designated as the top priority by the Library Commission. The construction work at the Park Branch Library is anticipated to begin in October, 1990 and construction work at the Presidio Branch Library is anticipated to begin by January, 1991. The Department of Public Work's Bureau of Architecture has begun the design and engineering studies for the Sunset and Chinatown Branch Libraries. According to Ms. Cox, the Library is seeking additional State funds to assist the Chinatown Branch Library work.

**Recommendation:**

Reduce the requested release of reserve for Miscellaneous Costs by \$4,200 from \$286,390 to \$282,190.



Memo to Finance Committee  
May 16, 1990

Item 11 - File 101-89-89.1

**Department:** Public Library

**Item:** Release of reserve

**Amount:** \$25,000

**Source of Funds:** General Fund - General Reserve

**Description:** In March, 1990, the Board of Supervisors approved a supplemental appropriation (Ordinance No. 92-90) of \$209,799 for the Public Library's costs arising from the extensive damage caused to the Main Library by the October 17, 1989 earthquake. Of the \$209,799 approved, the Finance Committee placed \$50,000 on reserve for Building Repairs and \$85,000 on reserve for Professional Services.

The \$85,000 reserve for Professional Services was proposed to be used to cover the costs related to the asbestos-containing materials that were exposed as a result of the earthquake in four areas of the Main Library. The \$85,000 reserve included \$25,000 for an asbestos environmental consultant to prepare and oversee the necessary asbestos work and \$60,000 for the asbestos abatement contractor. These funds were placed on reserve because the Public Library had not yet selected a consultant to conduct the work, and the number of hours, hourly rates, total contract costs and MBE/WBE/LBE status were not available. The proposed request would release \$25,000 of the \$85,000 reserve for Professional Services to fund a contract with an asbestos environmental consultant.

**Comments:** 1. Mr. David Rizzolo, Department of Public Health's (DPH) Asbestos Program Manager, reports that a Request for Proposal process was not conducted for the proposed work. Rather, TMA/Norcal, an environmental consulting firm, was requested to prepare an estimate to act as the asbestos environmental consultant for the Public Library. According to Mr. Rizzolo, TMA/Norcal was recently under contract with the Asian Art Museum to conduct asbestos environmental work. Mr. Rizzolo reports that TMA/Norcal is not an MBE/WBE/LBE firm.

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2. A copy of the proposal prepared by TMA/Norcal and provided to the Budget Analyst indicates that the hourly rates for the consultants would be \$75 to \$90 per hour and that the consultants would provide a total of 345 hours on this project. In addition, laboratory costs, travel expenses and logistics support are included. TMA/Norcal's cost to conduct the proposed work is estimated to be \$57,740, or approximately 131 percent more than the \$25,000 previously estimated.

3. According to Ms. Karen Cox of the Public Library, the four areas of the Main Library that are to be addressed in the proposed asbestos project are as follows:

- 1 - Newspaper Room Annex
- 2 - Old Discard Room
- 3 - Basement Steam Loop Pipe and Fitting Room
- 4 - Basement Janitor's Store Room.

Currently, Library staff and the public cannot have access to these areas and the four areas have been sealed until the work can be completed.

4. The scope of work in the TMA/Norcal proposal includes preparation of work plans, project monitoring and verification of project completion for the Public Library's Basement Steam Room and Basement Janitor's Store Room. Development of an assessment protocol, field sampling, data evaluation and preparation of a report are included in the scope of work for the Newspaper Room Annex and the Old Discard Room. The proposed scope of work and cost does not include monitoring of the asbestos abatement work for the Newspaper Room Annex and the Old Discard Room.

5. Ms. Cox reports that the initial \$25,000 estimate for the proposed work was prepared by the (DPH) Asbestos Program Manager. Mr. Rizzolo reports that the initial \$25,000 estimate assumed that the DPH staff could assist in the oversight and support of the proposed Main Library asbestos project. However, Mr. Rizzolo now reports that the DPH can only provide very limited support and oversight assistance to the consultant.

6. Mr. Rizzolo has also indicated that the initial estimate of \$60,000 (not included in this proposed request) to hire an asbestos abatement contractor to conduct the asbestos abatement work at the Public Library may not be sufficient. The asbestos abatement contractor would not be hired until the asbestos environmental consultant had completed their work.

7. The Budget Analyst believes that prior to releasing the \$25,000 reserve for the asbestos environmental consultant, a Request for Proposal should be conducted since the amount being requested is significantly less than the amount that will be needed to complete the work. As previously noted, the source of the proposed \$25,000 of reserved funds are General Fund - General Reserve. The source of the additional \$32,740 (\$57,740 less \$25,000) that would be necessary under the existing proposal has not been identified.

8. The Budget Analyst therefore recommends that the Public Library, in conjunction with the DPH's Asbestos Program Manager, immediately conduct a Request for Proposal process to determine if lower cost proposals are available to conduct the necessary work. As part of this effort, special attention should be directed to seeking MBE/WBE/LBE firms. Furthermore, the requested work scope should be reviewed for completeness. According to Ms. Cox, there may also be some areas that could be eliminated or delayed until the Library vacates the building. The departments should also seek additional assistance from existing City staff to oversee the proposed project and a more precise estimate of the costs to conduct the asbestos abatement work should be determined.

9. The funds in the initial \$209,799 supplemental appropriation were included in the City's application for reimbursement from the Federal Emergency Management Agency (FEMA). Ms. Cox reports that FEMA has recently been reviewing the proposed work for possible reimbursement. However, according to Mr. Rizzolo, the need for conducting the asbestos project was not caused by the earthquake.

**Recommendation:**

Continue this item to the call of the Chair until the Finance Committee is provided with a written response to the questions raised and the information requested.

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Item 1m - File 146-90-32

**Department:** Department of Public Health (DPH), Community Public Health Services

**Item:** Resolution rescinding Resolutions Nos. 541-88 and 931-88 and 157-90, authorizing the Department of Public Health to apply for, accept and expend a continuation State grant and making grant funds subject to appropriation by the Board of Supervisors.

**Amount of Grant:** \$908,384

**Source of Grant:** California Department of Health Services, Office of Family Planning

**Grant Period:** July 1, 1988 through June 30, 1991

**Project Description:** The Board of Supervisors previously approved legislation (Resolution No. 541-88) which authorized the Department of Public Health to apply for, accept and expend a new State grant, for family planning services, in the amount of \$390,000 for FY 1988-89. Subsequently, the Board of Supervisors also approved legislation (Resolution No. 931-88) which authorized the DPH to apply for, accept and expend State grant funds in the amount of \$961,800 for family planning services, for a three year period between July 1, 1988 and June 30, 1991. The \$961,800 included the original \$390,000 awarded by the State. Following the Board's approval of this legislation, the State decreased the amount of the family planning services grant award to \$694,633 for the period July 1, 1988 through June 30, 1991. Accordingly, the State required that the Board of Supervisors approve an additional resolution authorizing the DPH to apply for, accept and expend the revised grant amount of \$694,633 (Resolution No. 157-90).

The State has now notified the DPH of an increase in the amount of the family planning services grant award to \$908,384 for the period July 1, 1988 through June 30, 1991. The proposed legislation would authorize the DPH to apply for, accept and expend the revised grant amount of \$908,384. The proposed \$908,384 in grant funds would be used to provide family planning services at the DPH's District Health Centers. Services provided at the Centers include medical services, pregnancy testing and family planning education.

**No. of Persons to be Served:** Approximately 18,000 individuals (primarily women).

<b>Grant Budget:</b>	<u>Personnel</u>		
	Nurse Practitioner	\$469,938	
	(7.5 FTE for 3 years)		
	Fringe Benefits	<u>173,813</u>	
	Subtotal		\$643,751
	<u>Operating Expenses</u>		
	Materials and Supplies	\$ 60,000	
	Travel	<u>9,000</u>	
	Subtotal		69,000
	<u>Medical Equipment</u>		7,000
	<u>Contractual</u>		
	Cytology and Pharmacy Services		
	(for 3 years)		182,196 *
	<u>Indirect Costs</u>		<u>6,437</u>
	Total		\$908,384

\* The DPH currently contracts with DSA Medical Services for the provision of cytology services and Pharmedix Inc. for the provision of pharmacy services. DSA Medical Services is a WBE firm. Pharmedix Inc. is neither a MBE or WBE firm. Mr. Stephen Purser, of the DPH, reports that the Department issues a request for bids on an annual basis for these contract services. DSA Medical Services contract amount for FY 1989-90 is \$35,000. Pharmedix's contract amount for FY 1989-90 is \$25,000.

**Local Match:** None

**Comment:** Attached is the "Health Commission-Summary of Grant Request" prepared by DPH for this State grant.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
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Item No.                      Health Commission - Summary of Grant Request

Rev. 4/10/90

Grantor State of California Division CPHS  
 Contact Person Gail Koester Section Family Health  
 Address 714 "P" Street Contact Person Stephen Purser  
Sacramento, CA 95814 Telephone (415) 554-2569  
 Amount Requested \$ 908,384 Application Deadline May 15, 1988  
 Term: From 7/1/88 To 6/30/91 Notification Expected Sept. 1, 1989  
 Health Commission 4/17/90 Board of Supervisors: Finance Committee FY 1988-91 Original 3 years res.  
 Full Board 11-8-89

I. Item Description: Request to (apply for) (accept and expend) a ~~(new)~~ (continuation) ~~(allocation)~~ ~~(amendment)~~ ~~(renewal)~~  
 (Circle appropriate words) grant in the amount of \$ 908,384 from the period of 7/1/88 to 6/30/91  
 to provide comprehensive family planning services.

II. Summary: (Context/history; need addressed; number + groups served; services and providers)

This resolution rescinds three previous resolutions at three different levels of funding which corresponded to adjustments in the State's allocation of funds for these services and requests authorization to apply for, accept and expend an increased grant amount of \$908,384 for three fiscal years: 1988-1991. Grant funds provide medical, social and educational services to men and women in need of subsidized family planning services  
 (continued next page)

III. Outcomes/Objectives:

To provide 18,000 visits per year, including pregnancy testing, birth control and treatment of STD's.

IV. Effects of Reduction or Termination of These Funds:

Increase in numbers of unintended pregnancies and increase in sexually transmitted disease with concomitant effects on fertility.

V. Financial Information: Prev. 12-18-89 AMENDED

	FY 1988-89 Col. A	FY 1988-91 Col. B	1988-91 Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	\$390,600	\$694,633	\$908,384	\$213,751	No MATCH	
Personnel	305,000	500,000	643,751	+143,751		
Equipment	-0-	-0-	7,000	+ 7,000		
Contract Svc.	67,550	140,633	182,196	+ 41,563		
Mat. & Supp.	12,000	40,000	60,000	+ 20,000		
Facilities/Space						
Other	3,000	9,000	9,000	-0-		
Indirect Costs	3,050	5,000	6,437	+ 1,437		

VI. Data Processing

(none included above)

VII. Personnel

	7.0	5.0	7.0	+2.0
F/T CSC	.5		.5	+ .5
P/T CSC	2.5	2.5	2.0	- .5
Contractual				

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:  
 One-half time from federal AIDS Education grant.

Will grant funded employees be retained after this grant terminates? If so, How?  
 Grant probably will not be reduced or terminated; if it is, employee's time would be reduced or employee would be terminated.

\*VIII. Contractual Services: Open Bid X Sole Source                      (if sole source, attach Request for Exemption Form)



Item 1n -File 153-90-1.1

**Department:** Department of Social Services (DSS)

**Item:** Release of reserved funds previously approved to establish a rental deposit guarantee program. The funds were reserved pending submission by DSS of a more detailed budgetary breakdown of proposed expenditures for such a rental deposit guarantee program.

**Amount:** \$167,000

**Description:** The Board of Supervisors approved Resolution No. 1160-90 in February of 1990 which authorized the Department of Social Services (DSS) to apply for, accept and expend \$6.2 million in grants from the California Department of Housing and Community Development (CDHCD) and the Federal Emergency Management Agency (FEMA) in order to provide shelter and support services for families and individuals made homeless by the October 17, 1989 earthquake. Such assistance includes the establishment of a Rental Deposit Guarantee Program (RDGP).

At this time, CDHCD and FEMA has limited the awarding of the proposed \$6.2 million to an initial installment of \$167,000 for a local RDGP. DSS has requested the release of \$167,000 in reserves so that assistance to people who have been made homeless by the earthquake can move into permanent housing. The funds would be distributed between two non-profit corporations, Catholic Charities (\$42,105) and Tenderloin Housing Clinic (\$124,895) as follows:

**Grant Administration**

Catholic Charities	\$2,105	
Tenderloin Housing Clinic	<u>6,245</u>	
Subtotal		\$8,350

**Grants and Guarantees**

Catholic Charities	\$40,000	
Tenderloin Housing Clinic	<u>118,650</u>	
Subtotal (Contractors)		<u>158,650</u>

Total		\$167,000
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The Rental Deposit Guarantee Program (RDGP) is also known as the Security Deposit Grant/Guarantee Program (SDGGP). The purpose of the SDGGP is to provide grants and contractual guarantees for the payment of residential rental security deposits. Guidelines for the SDGGP are as follows:

- Guarantees are to be governed by a three-party contract, under which qualifying homeless persons can pay security deposits required by landlords in monthly installments.
- Grants are to be provided to eligible families and individuals who have been rendered homeless as a result of a natural disaster. Guarantees will be available to all other families and individuals who have been rendered homeless as a result of a natural disaster.
- Grant and guarantee funds must be placed in separate accounts. The guarantee funds shall be placed in the agency's revolving loan fund and deposited in a savings institution in a special SDGGP account.
- Grant funds will be paid directly to the landlord or landlord's agent. The landlord must agree to place the funds in an insured account and return any unused funds to the sponsor once the tenant has vacated the property. The funds shall be used solely as a security deposit. The tenant will be required to pay last month's rent at the beginning of the last month of occupancy.
- Interest earned on the guarantee account must be used for additional guarantees. It cannot be used to support the administration of the program.
- If a security deposit guarantee is used, the landlord of the rental property shall accept the guarantee as a substitute for the security deposit and agree to allow the security deposit to be paid over a specified number of months as an addition to the regular monthly rent.
- First priority for funds shall be families with minor children.
- The tenant shall have no direct use of the grant or guarantee funds.
- The contractor shall verify that an appropriate rental unit is available for occupancy.

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A tenant (family or individual) is eligible for the SDGGP if the tenant has been rendered homeless as the result of a natural disaster and the tenant's income is sufficient to pay the monthly rent.

A three-party contractual agreement (including the tenant, landlord or landlord's agent and contractor) shall be required of persons participating in the SDGGP. The Security Deposit Grant Contract shall require that the landlord place the deposit in an insured account, not charge more than the amount permitted by law, and return the balance of the deposit to the contractor after the tenant has vacated the unit. The Security Deposit Guarantee Contract shall require that the landlord agree to allow the security deposit to be paid over a specified number of months as an addition to the regular rental payment, the tenant agree to a payment schedule of a specified number of months in which time the total amount of required deposit shall be paid to the landlord, and the contractor, upon execution of contract, encumber in a special fund as a guarantee of the contract an amount no less than 80% of the outstanding balance of the security deposit.

The contractors (Catholic Charities and Tenderloin Housing Clinic) would be responsible for soliciting housing opportunities for families and individuals rendered homeless as the result of a natural disaster. The contractors would provide information to prospective tenants on the tenant and property owner relationship, appropriate treatment of property and on the importance of timely rental payments, and would be reasonably available to property owners and tenants to answer questions or complaints about the program. The contractors would also provide accounting and program data regularly as required by CDHCD.

**Comments:**

1. DSS has allocated \$42,105 to Catholic Charities that will target rental deposit grant and guarantees for families and \$124,895 to the Tenderloin Housing Clinic for such deposits for single adults. A higher amount is targeted for single adults because more single adults than families were made homeless by the earthquake and families made homeless by the earthquake may be eligible for some programs that are not available to single adults, such as AFDC Homeless Assistance which provides deposits for permanent housing, and Federal Section 8 vouchers which have been allocated specifically to families made homeless by the earthquake. It is estimated that the average rental deposit would be \$500 for families and \$250 for individuals and that, based on a 10% turnover rate, 90 families and 475 individuals would benefit from the Rental Deposit Guarantee Program (RDGP).

2. The subject legislation releasing \$167,000 for a Rental Deposit Guarantee Program was not identified in the originally approved budget accompanying Resolution No. 116-90 which authorized DSS to apply for, accept, and expend grants from CDHCD and FEMA for shelter programs and related services benefitting those persons made homeless as a result of the October, 1989 earthquake. A summary of that original budget is as follows:

<u>Category</u>	<u>Amount</u>
Emergency Shelters/Multi-Service Centers	
Pierce Arrow Building	\$1,689,500
Redevelopment Agency Bldg	<u>1,654,500</u>
Subtotal	\$3,344,000
Family Shelter	349,500
Hotel Shelter	2,458,800
Contract Administration	<u>45,600</u>
Total	\$6,197,900

Ms. Carla Javits of DSS advises that a detailed budget for the entire \$6,197,900 cannot be provided to the Board of Supervisors because DSS does not know the total amount of funding that the City will receive. However, Ms. Javits advises that the final amount to be received by the City will probably be less than the \$6,197,900 applied for by the City.

3. Although funds were not included in the original \$6,197,900 for a Rental Deposit Guarantee Program (RDGP), the Board of Supervisors did approve such a program to be included without a proposed budgetary amount to cover its cost. Under these circumstances, Ms. Javits advises that the \$167,000 for the RDGP should be deducted from the budgeted amount for the Pierce Arrow Building for Emergency Shelter/Multi-Service Center as follows:

Pierce Arrow Building	
Original Budget	\$1,689,500
Less Transfer to RDGP	<u>167,000</u>
Revised Budget	\$1,522,500

4. According to Ms. Sally Kipper in the Mayor's Office, because of the transfer of \$167,000 from the Pierce Arrow Building project to the RDGP and because of the likelihood that the City will not receive all of the \$6,197,900 originally requested, the City would either have to scale back the scope of the Emergency Shelter and Support Services Program as originally proposed or request a supplemental appropriation

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**BUDGET ANALYST**



from the General Fund to make up the difference to pay for the \$167,000 Rental Deposit Guarantee Program (RDGP).

5. Ms. Javits advises that although CDHCD and FEMA have not made funding decisions for the remainder of the \$6.2 million Emergency Shelter and Support Services Program, their approval has been granted to proceed with the Rental Deposit Guarantee Program (RDGP). Under these circumstances, DSS requests the release of \$167,000 for the RDGP.

**Recommendation:** Based on the prior policy decision of the Board of Supervisors to establish a RDGP, approve the proposed release of the reserved funds.



Item 2 -File 282-89-1

**NOTE:** This item was continued at the April 25, 1990 Finance Committee meeting.

1. This item is a hearing to consider a uniform policy for the imposition of user fees by all City agencies and departments.

2. On March 6, 1990, the Clerk of the Board requested each Department Head to provide information to the Board of Supervisors concerning all fees charged by the department. Information on fees requested included the name of each fee, the amount of each fee, the date when the fee was originally established, when the fee was last revised, the purpose of the fee, the estimated annual revenues generated by the fee, the estimated annual costs related to the fee charged, and information as to whether or not such fees are subject to approval by the Board of Supervisors.

3. The Budget Analyst has compiled the information on fees provided by those Department Heads who have responded to the inquiry of the Clerk of the Board. The Budget Analyst is currently revising the table on User Fees to reflect the additional information received during the past two weeks.

4. Based on a review of the Clerk of the Board's list of department heads receiving the User Fee Survey, the following departments, as of the writing of this report, have still not submitted a response to the Budget Analyst for inclusion in the attached table:

Mayor	City Attorney
Public Utilities Commission	Hetch Hetchy
Municipal Railway	Water Department
Treasurer	Juvenile Court
Calif. Academy of Sciences	Registrar of Voters
Delinquency Prevention Commission	

**Comment**

The Finance Committee may wish to submit a reminder to the above-cited departments which have not yet responded to the user fee survey.

**BOARD OF SUPERVISORS**  
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Item 3 - File 114-90-4

**Department:** Department of Public Works (DPW), Bureau of Building Inspection

**Item:** Ordinance amending Part II, Chapter I of the San Francisco Municipal Code (Building Code) by amending Section 332.3 thereof, to modify the amount of the investigation fee for performing work without a permit.

**Description:** The proposed ordinance would change the method of calculating the penalty resulting from performing construction work without a permit. The proposed change would require that penalties for work without a permit be assessed at a rate equal to nine times the applicable fee, plus the value of the original permit fee.

Currently, Building Code violators are assessed a flat penalty of:

- \$2,150 if the value of the construction is less than or equal to \$10,000;
- \$4,300 if the value of the construction is more than \$10,000 but not more than \$20,000; and
- \$5,375 if the value of the construction is greater than \$20,000.

Electrical, Plumbing, and Mechanical Code violators are currently assessed penalties equal to nine times the applicable fee, up to a maximum of \$5,375, plus the original permit fee.

The proposed ordinance would eliminate the flat penalty schedule for Building Code violations and the maximum penalty of \$5,375 for Electrical, Plumbing, and Mechanical Code violations. Instead, all code violations would be subject to a penalty equivalent to nine times the applicable fees, plus the original permit fees.

**Comments:** 1. Mr. Frank Chiu of the Bureau of Building Inspection reports that the Building and Construction Codes once provided for penalties identical to that proposed in this legislation. The current provisions were adopted in 1989. However, under the current provisions of the Building Code, the flat penalty schedule inequitably penalizes violators with small valued construction projects relatively more than violators with larger valued construction projects. For example, a project requiring permits and valued at \$2,000

could be assessed a penalty of \$2,150 while a larger project valued at \$10,000 would be assessed the same penalty. Mr. Chiu added that because of the inequities in the current penalty schedule, permit appeals filed by homeowners and construction contractors have increased, and in many cases, the Board of Permit Appeals has waived the existing penalties and reassessed a less stringent penalty of two times the applicable construction and permit fees.

2. Mr. Jim Hutchinson of the Bureau of Building Inspection reports that estimates of revenues collected under the current penalty provisions, and estimates of the potential revenues under the proposed penalty provisions are not readily available.

**Recommendation:** Approval of the proposed ordinance is a policy decision for the Board of Supervisors.

Items 4 and 5 - Files 101-89-128 and 102-89-47

**Department:** Department of Public Health (DPH)

**Items:** Supplemental Appropriation Ordinance for permanent salaries and mandatory fringe benefits, data processing/word processing equipment and operating expenses for the creation of four positions (File 101-89-128).

Annual Salary Ordinance amendment reflecting the addition of four positions (File 102-89-47).

**Amount:** \$57,575

**Source of Funds:** Proposition 99 - Tobacco Tax Fund

**Description:** The Board of Supervisors has previously authorized a resolution to apply for and accept up to \$24 million in Proposition 99 - Tobacco Tax monies for the California Health Care for Indigents Program (CHIP) (File 146-89-73) and a Supplemental Appropriation Ordinance (File 101-89-80) for \$250,212 for the creation of ten positions for the administration of the CHIP and other Proposition 99 programs. The Board is currently considering a resolution (File 146-90-27) to expend \$19.5 million of the estimated \$26 million for administration and implementation of CHIP, and a supplemental appropriation (File 101-89-129) of \$19.2 million for the implementation of CHIP.

The proposed amendment to the 1989-90 Annual Salary Ordinance (File 102-89-47) would create four limited tenure positions for the Proposition 99 - Tobacco Tax health education program. The proposed amendment, which will be reviewed at a future meeting of the Civil Service Commission, is as follows:

<u>Action</u>	<u>No.</u>	<u>Classification</u>	1989-90 Biweekly <u>Salary</u>	Top Step Annual <u>Salary</u>
Create	1	1446 Secretary II	\$943-\$1,141	\$29,666
Create	1	1844 Sr. Management Asst.	1,436-1,740	45,240
Create	1	2822 Health Educator	1,558-1,890	49,140
Create	1	2825 Sr. Health Educator	1,706-2,074	53,924

At the top step, the four positions to be added would cost \$177,970 in annual salary costs.

The proposed Supplemental Appropriation Ordinance (File 101-89-128) would appropriate \$57,575 for permanent salaries

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and mandatory fringe benefits, data processing/word processing equipment and other operating expenses for the creation of four positions for the period from May 7, 1990 through June 30, 1990, as follows:

Permanent Salaries	\$23,272
Mandatory Fringe Benefits	7,041
Travel	225
Telephone	2,645
Materials and Supplies	5,925
Rental of Property	3,000
Data Processing/Word Processing Equipment	<u>15,467</u>
Total Supplemental Appropriation	\$57,575

**Analysis:**

Proposition 99, through the AB 75 enabling legislation, provides new funds to be administered by the county health department to provide:

A) follow-up medical services for the existing Child Health and Disability Prevention Program,

B) the California Health Care for Indigents Program (CHIP), which provides additional funds for counties, and private hospitals and physicians to meet the health care needs of indigent persons and

C) tobacco use prevention health education program, which is called the Tobacco Control Program.

The proposed supplemental appropriation would fund costs of administering the health education portion of Proposition 99 - Tobacco Tax programs for FY 1989-90. In FY 1989-90, the DPH reports that the City has been allocated \$1,603,395 in Proposition 99 monies for the health education program, including the proposed supplemental appropriation of \$57,575. The balance of the \$1,545,820 will be requested by DPH in a forthcoming supplemental appropriation. Unlike the Proposition 99 monies for the CHIP program, Proposition 99 funds for the Health Education program do not need to be encumbered by June 30, 1990. Instead, the funding period for the \$1.6 million, including the \$57,575 in this Supplemental Appropriation, is January 1, 1990 through December 31, 1991.

The Tobacco Control Health Education program is a State-wide effort to reduce smoking in California by 75 percent by the year 1999. The State has identified the populations to be targeted by

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local tobacco control programs, including out-of-school youths, pregnant women, women with young children and minorities.

AB 75 stipulates that the county's responsibilities include developing and staffing a tobacco control coalition, providing or contracting for health education services designed for tobacco use control and coordinating services between county service providers, government agencies and the county office of education. The county is also responsible for establishing a coordinated system of information, referral, outreach and intake on tobacco use control and preventive health education, establishing and maintaining a data collection system and reviewing and approving the local school district's tobacco use education plans. The DPH proposes to provide these services by augmenting existing DPH and private community-based primary care, youth and mental health services.

The State divides the program into two phases. Phase I, which covers the period January 1, 1990 through May 31, 1990, is the administrative start-up and planning phase. Phase II, which covers the period June 1, 1990 through December 31, 1990, is the county plan development and implementation phase. In addition, the State requires a Comprehensive Program Plan, which details the proposed implementation of a comprehensive community tobacco intervention program through December 31, 1991, including evaluation methods.

The proposed supplemental appropriation would fund the administration and program services of the Proposition 99 health education program for the period May 7, 1990 through June 30, 1990, as follows:

	<u>FTE</u>	<u>Amount</u>	<u>Total</u>
<u>Permanent Salaries</u>			
2825 Sr. Health Educator	1.0	\$7,524	
Serves as Tobacco Control Project Director, who supervises county-wide program development, plan implementation, program staff and budget and the contracting process; analyzes data and oversees reports; provides technical assistance; coordinates with school district and other agencies and provides staff training.			

	<u>FTE</u>	<u>Amount</u>	<u>Total</u>
2822 Health Educator	1.0	\$6,232	
Provides staff support to the coalition and the school district; manages the information and referral services; provides technical assistance to organizations to establish the appropriate tobacco use intervention programs; participates in contract negotiations and program review; assists in writing quarterly and special reports; coordinates training activities.			
1844 Sr. Management Assistant	1.0	5,744	
Develops requests for proposals and processes contracts, including contract negotiations, facilitates revisions and information needs. DPH estimates the need for approximately 15 to 25 contracts.			
1446 Secretary II	1.0	<u>3,772</u>	
Manages office and work flow and provides clerical support to staff, tobacco control coalition and committees.			
Subtotal Permanent Salaries			\$23,272
<u>Mandatory Fringe Benefits</u>			7,041
<u>Travel</u>			
Reimbursement for travel to meetings in Berkeley, Sacramento and other Bay Area locations. 900 miles @ \$0.25/mile			
			225
<u>Telephone</u>			
Installation of 6 phones @ \$215.83/phone		1,295	
Funding should be reduced by \$432 to \$863 for four phones, one phone for each of the four proposed new staff.			
Monthly Usage @ \$330 /mo x 3 mos		990	
Should be reduced by \$660 to \$330 for one month.			
Long distance charges @ \$120/mo. x 3 mos.		<u>360</u>	
Funding should be reduced by \$240 to \$120 for one month.			
Subtotal Telephone			2,645

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Funding for Telephone should be reduced by a total of \$1,332 (\$432 installation + \$660 monthly usage + \$240 long distance) from \$2,645 to \$1,313, and the \$1,313 should be reserved pending identification of an office location for the four proposed new staff.

<u>Materials and Supplies</u>	<u>No. of Units</u>	<u>Price/ Unit</u>	<u>Total Cost</u>
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One-time costs for the purchase of office furniture for the four proposed new staff positions:

Desks	4	\$300	\$1,200
Chairs	4	200	800
Bookshelves	4	150	600
File Cabinets	4	300	1,200
Typewriter	1	375	375

On-going:

Routine Office Supplies	<u>1,750</u>
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Subtotal Materials and Supplies	\$5,925
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Rental of Property

1,000 square feet @ \$1.50/sq.ft./mo. x 2 months	3,000
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The DPH proposes to locate a total of 14 Proposition 99 staff (10 previously approved positions and the 4 proposed in this supplemental appropriation) together, at a site yet to be determined. The Board of Supervisors has previously approved \$21,000 for 3,000 square feet of office space at \$1.40/ sq. ft./month for 5 months for the 10 previously approved positions. The \$21,000 previously approved funds for rent were placed on reserve pending identification of the space to be rented and the rental rate.

The DPH is now requesting \$3,000 for the balance of 1,000 square feet (total need of 4,000 sq. ft. less 3,000 sq. ft. for which funding has already been approved) needed for the health education program at a rental rate of \$1.50/sq.ft./month for 2 months. The proposed \$3,000 funding for rent should be reduced by \$1,600 to \$1,400 for \$1.40/sq.ft./mo for 1,000 square

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feet for one month, and placed on reserve pending identification of the space to be rented and the actual rental rate.

Data and Word Processing Equipment

Computer hardware and software as required by the State to perform program evaluations.

	<u>No. of</u> <u>Units</u>	<u>Price/</u> <u>Unit</u>	<u>Total</u> <u>Cost</u>
Compaq PC	3	\$2,600	\$7,800
Math Co-processor	3	290	870
VGA color monitor	3	450	1,350
Printer and accessories	1	2,445	2,445
Modem	1	250	250
Software			1,774
Sales Tax			<u>978</u>

Subtotal Data and Word Processing Equipment \$15,467

The Electronic Information Processing Steering Committee has not yet approved the proposed purchase of computer equipment. Therefore, the proposed amount of \$15,467 for Data and Word Processing Equipment should be reserved.

**Total Supplemental Appropriation \$57,575**

**Comments:**

1. As noted earlier, the Board of Supervisors has previously approved a Supplemental Appropriation of Proposition 99 monies in the amount of \$250,212 for the creation of ten positions for the implementation of the CHIP program. One of the ten positions approved is a 2992 Contract Compliance Officer I which, as originally planned, would be responsible for the administration of a total of an estimated 23 to 45 contracts with private hospitals, private physicians, and health education providers for the Proposition 99 programs. However, the DPH has since decided to contract with one fiscal intermediary, who would then handle the individual contracts with the private hospitals and the private physicians. Therefore, the workload of the previously approved 2992 Contract Compliance Officer I has been reduced to management of one major contract with the fiscal intermediary and an estimated 15 to 25 contracts with the

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health education providers, which are the same 15 to 25 health education contracts assigned to the proposed 1844 Senior Management Assistant in this supplemental appropriation (File 101-89-128).

Based on this analysis, the Budget Analyst has inquired whether the work to be performed by the proposed one new 1844 Senior Management Assistant can be accomplished by the existing 2992 Contract Compliance Officer I, and whether the 1844 Senior Management Assistant should be deleted from this request. Mr. Leong states that, in addition to the one major contract with the fiscal intermediary, the 2992 Contract Compliance Officer will also be responsible for one major data processing contract and potentially ten capital outlay contracts, although Mr. Leong states that the DPH has not actually determined the need for capital outlay contracts. Additionally, Mr. Leong states that, due to the short time frame in which the CHIP and health education programs need to be established, the proposed 1844 Senior Management Assistant is needed to enable DPH to deliver the services on a timely basis.

Ms. Geri Brown of DPH's Contracts Administration Section states that the DPH requires the proposed new 1844 Senior Management Assistant because of the short time frame in which the services need to be performed, and the additional duties required to administer the Proposition 99 contracts which are not required for other DPH contracts, such as administration of the request for proposal process. As a comparison, Ms. Brown indicates that the existing DPH contracts administration staff has a workload of 40 standard contracts per staff and a backlog of approximately 16 weeks. Ms. Brown indicates that the State guidelines for the Proposition 99 programs do not allow for any delay in establishing the contracts. The Mayor's Office has recommended that the one proposed new 1844 Senior Management Assistant position be approved on the condition that the DPH monitor the Proposition 99 contracts workload in order to continue to justify the one 1844 Senior Management Assistant position, and the Budget Analyst concurs with this recommendation.

2. Mr. Leong indicates that the DPH is requesting the four new positions at this time rather than in their the FY 1990-91 budget, in order to enable the DPH to comply with State time guidelines for implementing the health education services. The Health Education program services which are to be completed by December 31, 1990, include identifying and assessing the target populations, developing requests for

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proposals for the community providers, selecting and contracting with the providers, providing tobacco use prevention and cessation education to 11 target populations, provision of information and outreach services and design and implementation of evaluation procedures.

3. Also, as noted above, the proposed Supplemental Appropriation Ordinance would fund the four proposed new positions for the period from May 7, 1990 through June 30, 1990. However, the earliest that the positions could be filled is May 30, 1990. Therefore, the proposed funding for permanent salaries should be reduced by \$9,891 from \$23,272 to \$13,381 for 2.3 biweekly pay periods for four positions from May 30, 1990 through June 30, 1990. Related Mandatory Fringe Benefits should also be reduced accordingly.

4. Based on the delay in hiring the proposed staff and the Budget Analyst's analysis regarding Telephone, Rental of Property and Data and Word Processing Equipment, the proposed supplemental appropriation should be reduced by \$16,289 from \$57,575 to \$41,286, and reserving \$18,180, to fund four new positions and operating expenses for the period May 30, 1990 through June 30, 1990, as follows:

	<u>Requested Amount</u>	<u>Recommended Amount</u>	<u>Savings</u>
Permanent Salaries			
2825 Sr. Health Educator	\$7,524	\$4,326	\$3,198
2822 Health Educator	6,232	3,583	2,649
1844 Sr. Management Assistant	5,744	3,303	2,441
1446 Secretary II	<u>3,772</u>	<u>2,169</u>	<u>1,603</u>
Subtotal Permanent Salaries	<u>23,272</u>	<u>13,381</u>	<u>9,891</u>
Mandatory Fringe Benefits (MFB)			
Retirement	3,491	2,007	1,484
Social Security	1,780	1,024	756
Health Services	1,723	517	1,206
Unemployment	<u>47</u>	<u>27</u>	<u>20</u>
Subtotal MFB	<u>7,041</u>	<u>3,575</u>	<u>3,466</u>
Travel	225	225	0
Telephone	2,645	1,313 *	1,332
Materials and Supplies	5,925	5,925	0
Rental of Property	3,000	1,400 *	1,600
DP/WP Equipment	<u>15,467</u>	<u>15,467</u> *	<u>0</u>
Subtotal	<u>27,262</u>	<u>24,330</u>	<u>2,932</u>
Total	<u>\$57,575</u>	<u>\$41,286</u>	<u>\$16,289</u>

\* Amount to be reserved, total of \$18,180.

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5. Mr. Jeff Leong of the DPH reports that the State requires the Health Commission and the Board of Supervisors to approve a resolution approving the DPH Proposition 99 - Tobacco Tax Health Education Program Plan and Budget and a resolution authorizing the DPH to apply for, accept and expend the \$1.6 million in Proposition 99 Health Education program monies before the DPH may request a Supplemental Appropriation to expend the monies. However, as of the writing of this report, the Health Commission has not yet reviewed the two resolutions, and therefore, the DPH has not yet submitted the proposed resolutions to the Board of Supervisors. Therefore, Mr. Leong requests that the proposed Supplemental Appropriation Ordinance (File 101-89-128) and Annual Salary Ordinance amendment (File 102-89-47) be continued.

**Recommendation:** Continue the items as requested by the Department of Public Health.





Items 6 and 7 - Files 101-89-130 and 102-89-48

**Department:** Controller - Information Services Division (ISD)

**Items:** Supplemental Appropriation Ordinance for permanent salaries and mandatory fringe benefits, data processing/word processing professional services and equipment maintenance, training and interdepartmental recovery for the creation of one position (File 101-89-130).

Annual Salary Ordinance amendment reflecting the addition of one position (File 102-89-48).

**Amount:** \$1,133,556

**Source of Funds:** Controller ISD Reserve for Replacement of Computer Equipment

**Description:** The proposed amendment to the 1989-90 Annual Salary Ordinance (File 102-89-48) would create one position in the Controller's Information Services Division. The proposed amendment, which will be reviewed at a future meeting of the Civil Service Commission, is as follows:

<u>Action</u>	<u>No.</u>	<u>Classification</u>	1989-90 <u>Biweekly Salary</u>	Top Step <u>Annual Salary</u>
Create	1	A978 Sr. Data Base Administrator	\$2,388-\$2,388	\$62,088

At the top step, the one position to be added would cost \$62,088 in annual salary costs.

The proposed Supplemental Appropriation Ordinance (File 101-89-130) would appropriate \$1,133,556 for permanent salaries and mandatory fringe benefits for the creation of one position, professional services, equipment maintenance, training and interdepartmental work order recovery for the period from May 14, 1990 through June 30, 1990, as follows:

Permanent Salaries	\$8,250
Mandatory Fringe Benefits	2,098
Data/Word Processing Professional Services	\$1,019,764 *
Data/Word Processing Equipment Maintenance	10,000
Training	62,400
Work Order Recovery	<u>31,044</u>
Total Supplemental Appropriation	\$1,133,556

\* Shown in the legislation on line 21, page one, as \$1,019,674, due to a clerical error. The correct amount is \$1,019,764.

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**Comments:**

1. The Electronic Information Processing Steering Committee (EIPSC) has recently completed an extensive evaluation of a major data collection and processing software package that EIPSC has determined can benefit departments City-wide. As a result of this evaluation, EIPSC has selected the software package, Oracle, as the City standard for new data collection and processing applications. The Controller's Office reports that the City's current accounting system, FAMIS, is outdated and is no longer able to meet the Controller's or other departments' analytical needs.

According to the Controller's Office, the acquisition of Oracle, which is a relational database software, would provide department managers with a more productive and straightforward means of analyzing data regarding program services, budgets, job scheduling and other areas. In addition, the City would be able to use Oracle on any of the types of computers that the City currently uses, in contrast with FAMIS, which may only be used on the Wang VS Minicomputers.

As a result of EIPSC's recommendation, EIPSC and the Controller's Office have worked extensively with City departments and the Oracle Corporation to negotiate a \$990,000 lump sum agreement for the purchase of the Oracle software, training services and consulting services from the the Oracle Corporation for 19.4 percent of the full purchase price of \$5,090,979 if the software(\$4,930,979) and services (\$120,000 for training and \$40,000 for consulting) were purchased by separate departments at separate times. The Controller's Office reports that Oracle Corporation has agreed to this offer for the City in exchange for a City agreement that Oracle would be the sole relational database software used by the City. In addition, the City would agree to provide Oracle support services for the user departments (through the Controller's ISD) and to have only ISD contact Oracle Corporation for technical assistance.

The Controller proposes to use ISD user charges that have been carried forward from previous years and placed on reserve by the Controller for the replacement of the Controller's computer equipment to pay for the proposed supplemental appropriation of \$1,133,556, including \$990,000 for the Oracle software package and \$143,556 for ISD support services. The Controller reports that these reserved funds will not be required for the replacement of computer equipment until FY 1991-92. This reserve would be replenished with work

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orders from departments that have agreed to purchase the Oracle software within their baseline budgets over the next three fiscal years (FY 1989-90 through FY 1991-92). According to Mr. John Guthrie of the Controller's Office, the Controller has signed statements from 16 departments to purchase a total of \$1,053,505 in Oracle software over the next three years with funds appropriated within their baseline budgets. In addition, the Board of Supervisors has previously authorized a total of \$334,948 for the Airport, Department of Public Health and Municipal Court to purchase Oracle software which, according to Mr. Ralph Jacobson of EIPSC, may be credited against the \$990,000 lump sum price.

2. The proposed supplemental appropriation would fund the purchase of the Oracle software and support services, and one new ISD position and other operating costs to support the new software, as follows:

Permanent Salaries

A978 Data Base Administrator \$8,250

One FTE for the period May 14, 1990 through June 30, 1990 to act as the primary staff person providing technical assistance to user departments, developing and implementing a City-wide database security system, training to existing Controller Database Services staff and interacting with the Oracle Corporation.

Mandatory Fringe Benefits

2,098

Data/Word Processing (DP/WP)  
Professional Services

Oracle Software Package

Software \$958,960

License to use the Oracle software at 420 personal computer sites, 12 mini-computer sites and 2 mainframe sites. Full purchase price value is \$4,930,979. The Controller's Office indicates that Oracle has offered a minimum of 40 percent discount on additional sites, should the City decide to expand the use of Oracle in the future.

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Training \$23,280  
400 days of Oracle startup training for  
Controller ISD staff at \$58.20 per day. Full  
purchase price value is \$120,000, or \$300  
per day.

Consulting 7,760  
400 hours of Oracle startup consulting at  
\$19.40 per hour. Full purchase price  
value is \$40,000, or \$100 per hour.

Subtotal Software Package \$990,000

Oracle Software Support and Updates 29,764  
Includes ISD's share of annual fees to  
Oracle for software maintenance at a  
discount of 83.4 percent off the full  
purchase price value of approximately  
\$179,301.

In addition, the City would receive free  
software upgrades for two years, an  
estimated value of \$200,000 to \$250,000  
over two years.

Subtotal DP/WP Professional Services \$1,019,764

DP/WP Equipment Maintenance

Purchase of one PC and peripherals to  
provide ISD with a computer which can  
be dedicated solely for Oracle training.  
According to the Controller's Office, the  
purchase of personal computers in the  
Controller's Office has historically been  
budgeted under DP/WP Equipment  
Maintenance. Although \$10,000 was  
requested, the funding should be reduced  
to reflect the actual cost estimate of  
\$9,175, as follows:

Computer Hardware  
One 386 - 25 MHz - Microcomputer "Mylex  
Based" with:  
6 Meg RAM  
386 Math Co-processor  
one 1.2/360 kb 5 1/4 floppy drive  
one 1.44/720 kb 3 1/2 floppy drive

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one 100 Meg hard drive	
16 bit graphics card	
two serial ports	
one parallel port	\$4,000
VGA Color Monitor	675
HP Laser Jet III Printer	2,500
Archive Internal Tape Backup-100 Meg	700
3270 Compatibility Board	<u>800</u>
Subtotal Hardware	<u>\$8,675</u>
Computer Software	
Wordperfect 5.1	\$300
Microsoft Windows 3.0	100
XTGOLD Dasd Utility	<u>100</u>
Subtotal Software	<u>\$500</u>
Subtotal DP/WP Equipment Maintenance	\$10,000 *

\* Rounded number. Actual total is \$9,175.

Training

Oracle Data Base Administration Training	\$32,400
Nine courses for an average of 3 to 4 trainees per course at an average cost of \$3,600 per course.	
Oracle System Development Training	<u>30,000</u>
Four courses plus an unspecified number of additional courses on Oracle products related to specific projects.	
Subtotal Training	62,400
Work Order Recovery	31,044
The proposed new Data Base Administrator's salary and fringe benefits for 6.5 months. The Controller's Office states that this charge to Work Order Recovery is necessary to offset work that will be performed by the proposed new Data Base Administrator in FY 1990-91, but which will be paid for through user charges for the Oracle acquisition in FY 1989-90.	
Total Proposed Supplemental Appropriation	<u>\$1,133,556</u>

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3. The Controller's Database Services section currently has one A979 Database Administration Manager and one vacant A978 Senior Database Administrator and two 1876 Data Processing and Systems Supervisors. Ms. Lynn Baron, Database Administration Manager, reports that the existing staff, including the vacant A978 Senior Database Administrator position, are assigned to support the existing IBMS system, and will still be required when the new Oracle software is implemented. Ms. Baron indicates that the department has been unable to fill the vacant A978 Senior Database Administrator position because the assignment to support the older IBMS system is relatively unattractive to potential applicants. Ms. Baron indicates that she has been working overtime to perform her duties as well as those of the vacant A978 Senior Database Administrator position, which she is still attempting to fill. Ms. Baron states that none of the existing staff has experience with Oracle.

Mr. Chris Baldo of the Controller's Office reports that the Controller is requesting the creation of the new Senior Database Administrator position at this time, rather than waiting for the FY 1990-91 budget, because, as part of the agreement with Oracle, the City has agreed to provide City-wide support for Oracle through the Controller's Office, and to have the Controller's Office be the only City department contacting Oracle for service. Mr. Baldo states that the departments that have already purchased Oracle software, the Airport, Department of Public Health and Municipal Court, have already approached ISD with questions regarding Oracle, and ISD is unable to assist them.

4. Mr. Sam Yockey, Controller, reports that he has reviewed the financial performance of the Oracle Corporation and has no reservations about the corporation's long term financial viability based on the corporation's recent financial performance record.

5. As noted earlier, the Board of Supervisors has previously authorized a total of \$334,948 for the purchase of Oracle software by the Airport, Department of Public Health and Municipal Court which can be credited towards the \$990,000 purchase price of the Oracle software package. Therefore, the proposed \$1,019,764 for Professional Services should be reduced by \$334,948 to \$684,816.

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6. Also, as noted above, the proposed Supplemental Appropriation Ordinance would fund the one proposed Senior Database Administrator position for the period from May 14, 1990 through June 30, 1990. However, the earliest that the position could be filled is May 30, 1990. Therefore, permanent salaries should be reduced by \$2,758 from \$8,250 to \$5,492 and mandatory fringe benefits by \$692 from \$2,098 to \$1,406, to fund the proposed position for 2.3 biweekly pay periods and the total of \$3,450 (\$2,758 + \$692) should be transferred to increase the amount of Work Order Recovery.

7. Mr. Baldo reports that Oracle will guarantee the software package purchase price of \$990,000 only until May 31, 1990.

8. The Budget Analyst believes that the new technology which the City would receive with Oracle would benefit the City by reducing the need for technical support for operating the City's computer systems. Mr. Baldo states that although staff reductions will not result, the additional productivity that would be achieved with Oracle would enable the existing technical support staff to perform computer software maintenance tasks which, according to Mr. Baldo, the City has been postponing due to the lack of staff. The Budget Analyst will be assessing the Controller's staffing needs in light of the new technology proposed for the City during the FY 1990-91 budget review.

9. The proposed acquisition of the Oracle software package has been approved by EIPSC.

10. As previously noted, the proposed supplemental appropriation of \$1,133,556 would be funded by ISD user charges that have been carried forward from previous years and placed on reserve by the Controller for the replacement of the Controller's computer equipment. Additional one-time costs would include any additional Oracle software purchases, beyond the \$990,000 lump sum package, which the City would be able to obtain from Oracle at a 40 percent discount, and would be funded by the individual user departments from sources not yet identified. Additional on-going costs associated with the proposed supplemental appropriation would include \$93,099 for annual Oracle software maintenance fees, which is being offered by Oracle Corporation at an 83.4 percent discount, and which would be funded by sources not yet identified.

11. Based on Comments 5 and 6, the proposed funding should be reduced by \$335,773 from \$1,133,556 to \$797,783 for 2.3 biweekly pay periods from May 30, 1990 through June 30, 1990, as follows:

	<u>Requested Amount</u>	<u>Recommended Amount</u>	<u>Savings</u>
Permanent Salaries	<u>\$8,250</u>	<u>\$5,492</u>	<u>\$2,758</u>
Mandatory Fringe Benefits			
Retirement	1,237	829	408
Social Security	631	423	208
Health Services	214	143	71
Unemployment	<u>16</u>	<u>11</u>	<u>5</u>
Subtotal Mandatory Fringe Benefits	<u>2,098</u>	<u>\$1,406</u>	<u>692</u>
DP/WP Professional Services	1,019,764	\$684,816	334,948
DP/WP Equipment Maintenance	10,000	9,175	825
Training	62,400	62,400	0
Work Order Recovery	<u>31,044</u>	<u>34,494</u>	<u>(3,450)</u>
Total	\$1,133,556	\$797,783	\$335,773

**Recommendations:** 1. Approve the proposed Annual Salary Ordinance amendment (File 102-89-48).

2. Amend the proposed Supplemental Appropriation Ordinance (File 101-89-130) to reduce the amount by \$335,773 from \$1,133,556 to \$797,783, as shown in Comment 11, above, and approve as amended.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 8 -File 170-90-6

1. The proposed resolution which would authorize an application to the California Debt Limit Allocation Committee (CDLAC) to permit the issuance of qualified mortgage bonds.

2. On May 11, 1981, with the passage of Ordinance 245-81, the Board of Supervisors declared its intent to engage in a home finance program which would assist to make home ownership more affordable to persons in the lower end of the purchasing spectrum and to encourage the construction of homes affordable by such persons. In furtherance of this home finance program, the City is authorized to issue bonds under the State of California Health and Safety Code (Division 31, Part 5), although Section 146 of the 1986 Internal Revenue Code limits the amount of qualified mortgage bonds that may be issued in any year and authorizes the State Legislature to limit the amount of mortgage authority to individual municipalities.

3. At this time the Mayor's Office of Housing (MOH) seeks Board of Supervisors approval to apply for \$35 million in State authorization for bonds that would be issued during the summer of 1990. MOH will also request separate Board of Supervisors approval to issue the bonds themselves and complete all related bond documents within sixty days of the State authorization. Bond revenues would be used to make mortgage loans to low and moderate income first-time home buyers in new housing developments. It is anticipated that the bond proceeds would be distributed among eleven single family home projects, including nine projects developed by the San Francisco Redevelopment Agency (SFRA) and two projects developed by the MOH (see attached list). In addition to the projects listed, MOH intends to issue a Request for Proposals for additional developers prior to bond issuance. Developers who are selected to participate would be able to reserve an allocation of bond proceeds upon payment of a commitment fee estimated at 2.75% of the allocation amount.

4. The bonds would be secured by mortgage-backed securities of bond program loans, to be issued by GNMA and FNMA and purchased by the Trustee. The Trustee has not yet been selected for the issue. Since both GNMA and FNMA securities are AAA rated, a bond rating of AAA is expected by MOH.

5. With the issuance of mortgage revenue bond authority, CDLAC requires that the bond proceeds be distributed within three years of the bond limit authorization with one six month extension permitted. In the City's pending application to CDLAC, MOH has provided the following schedule to expend the \$35 million in bond proceeds:

<u>Drawdown Schedule</u>	<u>Amount</u>
After 1.0 year	\$ 0
After 1.5 years	3,100,000
After 2.0 years	12,000,000
After 2.5 years	10,640,000
After 3.0 years	<u>9,260,000</u>
Total	\$35,000,000

6. The legislation provides for one percent of the proposed bond issue, or \$350,000, to be held on deposit in connection with applicable CDLAC procedures and requirements. This deposit would be set aside in the Surplus Funds established by the Home Mortgage Assistance Trust Agreement entered into by and between the City and the Bank of America, the trustee for the City's Single Family Mortgage Revenue Bond program as originally established in October of 1982. According to Ms. Jayne Wildermuth of the Bank of America, the Surplus Fund currently has on deposit \$1,145,418 from which the \$350,000 will be obligated.

7. In order to participate in the proposed Single-Family Housing Bond Program, residents must have incomes that fall within specific limits as established by Federal and State law. These limits, determined by targeted areas as defined by the Internal Revenue Service (IRS), are as follows:

<u>Designated Areas *</u>	<u>One or two Person Households</u>	<u>Three or more Person Households</u>
Outside targeted areas	\$51,700	\$59,455
Within targeted areas	60,720	60,720

\* According to MOH, the first seven listed projects identified in the attachment are within IRS targeted areas and the last four listed projects are outside such targeted areas.

8. The maximum purchase prices permitted for single family residences, pursuant to Federal law, are \$234,090 outside targeted areas, and \$286,110 within targeted areas. However, because of FHA and FNMA loan limits of \$124,875 and \$187,450, all units sold within this program will be priced substantially lower than the maximum purchase prices. Most buyers are expected to be able to pay only a three to five percent down payment. The maximum sale prices of units in the program will be regulated by agreements with each developer. The current range of prices would be from \$86,000 to \$164,000.

9. Because the MOH and the San Francisco Redevelopment Agency (SFRA) are committed to sales prices substantially below the market value, both agencies are proposing to commit large subsidies to the developments financed with the proposed bond issue. MOH is expending between \$5 and \$6 million in public funds for the purchase of the sites for construction. The sources of these funds include the Office Affordable Housing Production Program, the Tax Increment

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May 16, 1990

Housing Program, and the Community Development Block Grant (CDBG) Program. In addition to land write-downs, the City is also providing mortgage assistance second loans to purchasers of the units in order to reduce their monthly principal and interest payments to affordable levels. While the amount of mortgage assistance needed will depend on borrower income, MOH plans to allocate an additional estimated \$2 million to fund this mortgage assistance program. The SFRA is allocating \$8.6 million to the developments proposed within the targeted areas. The subsidies will consist of \$600,000 in land write-downs, \$3,155,000 in construction subsidies, and \$4,875,000 in second mortgage loans to purchasers. The source of these funds is SFRA housing set-asides.

10. A further financial participation by MOH and SFRA would be that these agencies would pay the costs of issuance for the bond program, an estimated \$700,000 or 2% of the total bond proposal of \$35 million. Since the developers are either nonprofit corporations or small developers, the MOH and SFRA have determined that these costs are appropriate additional subsidies for the proposed developments.

11. Of the eleven projects proposed, MOH and SFRA have estimated a need of \$59.6 million in single family mortgage revenue bonds to provide the financing for 448 subsidized units as follows:

<u>Project Name</u>	<u>Developer</u>	<u>No of Units</u>	<u>Estimated Amount of Mortgages</u>
Hillside Village	Future Perfect Inc.	62	\$8,010,400
City View	Progress Seven, Inc.	15	\$2,215,875
Stony Hill Summit	Summit Partners	27	3,982,400
The Villages	GSI Holdings	27	3,945,540
Site DD-2	SF Hous. Devel. Corp.	28	4,256,000
Hunter Point Sch. Site	Hous Cons & Devel Corp.	40	6,080,000
Bay Vista Homes	Sammie Dukes	12	1,767,000
Fillmore Market Place	FMP Associates	28	4,389,000
Fillmore Renaissance	FR Associates	24	3,762,000
101 Valencia	HD&NP Inc.	115	12,880,000
PG&E Site (Texas/23rd)	To be determined	<u>70</u>	<u>8,312,500</u>
Total		448	\$59,600,715

12. Mr. Joe LaTorre of MOH advises that if more than \$35 million in projects from those identified above can be readied for development during the next three years, an additional application to the California Debt Limit Allocation Committee would be requested to permit projects in excess of the current \$35 million limit be implemented. The additional allocation would be sought not earlier than 1991, and would be available only if the Internal Revenue Code provisions for tax-exempt mortgage bond financing are extended by Congress prior to September 30, 1990.

13. MOH advises that other sources of financing for first time home buyers in the City are extremely limited. The loan limits under the California Housing Finance Agency (CHFA) homeowner program have proved to be too low to permit the use of CHFA loans by developers in San Francisco. According to CHFA reports, not a single CHFA loan was originated in San Francisco in 1989. MOH has concluded that, without a combination of bond issues and public subsidies, low and moderate income first time home buyers are virtually excluded from opportunities to purchase and finance homes in the City.

**Recommendation**

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

SINGLE-FAMILY MORTGAGE FETTERIE BOND HOUSING PROJECTS  
SAC FRANCISCO DEVELOPMENT AGENCY  
23-428-80

Project Name/ Parcel Name	Location	Developer	Number of Units	Type of Units	Estimated Subsidized Sales Price	Estimated Construction Status	Land Lien	Second Mortgage Assistance Available
1. Hillside Village/ Parcel AA-2	Wily side Keith Street at Project Boundary	Future Perfect, Inc.	82	Condominiums	\$136,000	Start: 6/90 Completion: 8/92	\$108,000 land subsidy \$90,000 construction subsidy	\$1,155,040
2. City View/ Parcel EE-1	Wily corner Whitney Young Circle and Kennecott Avenue	Progress Series, Inc.	15	SFO	\$155,500	Start: 7/90 Completion: 7/91	\$375,000 construction subsidy	\$320,400
3. Stony Hill Summit/ Parcel EE-2	Wily corner Whitney Young Circle and Hudson Avenue	Summit Partners	8 6 5 7 ----- 27	Condominiums	\$148,000 \$155,000 \$155,000 \$155,000 \$154,000	Start: 12/90 Completion: 12/91	\$85,000 land subsidy \$875,000 construction subsidy	\$448,600
4. The Villages/ Parcel S-6	Wily corner LaSalle and Kennecott Avenue	GSI Holdings	3 24 ----- 27	Condominiums	\$131,400 \$156,100	Start: 11/99 Completion: 11/91	\$50,000 land subsidy \$525,000 construction subsidy	\$545,800
5. DO-2	Sly side of Hudson Avenue betw. Whitney Young and Ingalls	San Francisco Housing Development Corp.		Condominiums	\$160,000	Start: 9/91 Completion: 9/92	\$55,000 land subsidy \$400,900 construction subsidy	\$525,000
6. Hunter Point School II Site	Sly corner of Kiska Road and Ingalls Street	Housing Conservation and Development Corporation	40	Condominiums	\$160,400	Start: 3/91 Completion: 7/92	\$200,000 land subsidy	\$0
7. Bay Vista Homes/ Parcel I	Sly side of Keith Street and east of Harrison Avenue	Storie Dukes	12	SFO	\$155,000	Start: 7/90 Completion: 7/91	\$180,000 construction subsidy	\$248,400
8. Fillmore Market Place/ Parcel J32-3	Eastly portion of block bounded by Fillmore, Eddy, Ellis and Webster Streets	Fillmore Market Place Associates	26	Condominiums	\$155,800	Start: 3/91 Completion: 9/92	\$0	\$720,000
9. Fillmore Renaissance/ Parcel J32-4	Eastly portion of block bounded by Fillmore, Eddy, Ellis and Webster Streets	Fillmore Renaissance Associates	24	Condominiums	\$165,000	Start: 11/90 Completion: 5/92	\$0	\$800,000



Mayor's Office of Housing Single Family Bond Projects, 4/20/90

Project Name/ Parcel Map	Location	Developer	Number of Units	Type of Units	Estimated Subsidized Sales Price	Estimated Construction Status	Land Use	Second Mortgage Assistance Available
1. 101 Valencia	SE corner of McCoppin and Valencia	Housing Development & Neigh. Pres. Inc.	184 Low-ills Mit-69	Condominiums	\$117,869 (average)	Start: 6/91 Compl: 3/93	\$2,000,000 land sub. \$2,000,000 con. sub.	yes
2. PGE	SE corner of Texas and 23rd Street	To be determined	70	Condominiums	To be determined	Start: 6/91 Compl: 1/93	\$1,000,000 land sub. to date	yes

Item 9 - File 101-89-134

**Department:** Department of Public Health (DPH)

**Item:** Supplemental Appropriation Ordinance

**Amount:** \$40,000

**Source of Funds:** General Fund - General Reserve

**Description:** The proposed Supplemental Appropriation Ordinance would provide \$40,000 for the DPH to fund contractual services for a proposed Employee Wellness Program. DPH reports that the proposed program would consist of the following three major components:

1. Health Screening

This component would be developed in conjunction with two health fairs, held six months apart. The first fair would be used for the initial screening of employee participants. The second fair would provide a re-screening of the same group of participants. The health screening would consist of two parts, the completion by City employee participants of a Health Risk Appraisal questionnaire, and the administering of screening tests and measurements (i.e., height, weight, blood pressure, cholesterol) of the employees by Registered Nurses. The results of the tests and measurements would be provided to the employees immediately by the Registered Nurses (along with interpretations and implications). The results of the Health Risk Appraisal would be sent to the employee at a later date, once an analysis of the findings has been completed. In addition to an analysis of the results of the Health Risk Appraisal, the employees would also receive recommendations for changes in lifestyle and behavior to lower their health risks.

2. Data Analysis

The data collected from the screening tests and measurements, and Health Risk Appraisal questionnaire would be analyzed for individual employee results, and in aggregate. Aggregate data would be provided to DPH administration, with no individual identified in order to maintain confidentiality. The data would provide information regarding the number of participants (broken down by sex, age, race, etc.);

percentage of participants at high, medium and low risk levels for each item on the Health Risk Appraisal and for each health screening test performed; and the preventive health topics of interest to employees. After the second health fair, data comparisons would be made between the initial screening results and the rescreening results, for the individual employees and in aggregate.

### 3. Educational Seminars

Four educational seminars would be offered during the program year. The content for these seminars would be based on data collected from participant's screening tests and measurements and Health Risk Appraisals and would include the most common health problems, risk factors and preventive health topics of interest identified by the participants. The seminars would provide suggestions and instructions for reducing identified health risks.

The DPH would be responsible for the administration and coordination of the proposed Employee Wellness Program. The Department would contract with a non-profit or private agency for the provision of direct program services to the employees. The DPH advises that the Employee Wellness Program would be implemented as a pilot program for the City's Civic Center area employees in the first year (FY 1990-91). After the first year, the program would be expanded to include employees Citywide.

#### **Comments:**

1. Ms. Carol Piccione of DPH reports that the Department issued a Request for Proposal (RFP) on April 15, 1990 for the provision of Employee Wellness Program services. Agency responses to the RFP are due by May 15, 1990. The DPH estimates that a contractor would be selected by or before June 30, 1990.

2. Ms. Piccione advises that in addition to the proposed \$40,000 that is the subject of this report, that the DPH has included an amount of \$40,000 in its FY 1990-91 departmental budget request, for contractual services for the proposed Employee Wellness Program, which would bring the total amount available for contractual services for the first year of the proposed program to \$80,000. Ms. Piccione reports that a detail budget for the \$80,000 in contractual services would not be available until a



specific contractor has been selected and the terms of the contract have been negotiated.

3. According to Ms. Piccione the actual number of City employees who would participate in the first year pilot program is unknown at this time. Ms. Piccione adds that the level of employee participation would depend upon the per unit cost for the contractual services.

4. As noted above, the DPH is unable to provide, as of the writing of this report, specific budget details for the proposed \$40,000 for contractual services. In addition, since a contractor has not as yet been selected, the DPH is unable, at this time, to provide information relating to Minority Business Enterprise and Women Business Enterprise (MBE/WBE) contract participation, the contractor's estimated hours and the hourly rate.

**Recommendations:**

1. Approval of the proposed Supplemental Appropriation Ordinance which would provide \$40,000 for the DPH to fund contractual services for a new Employee Wellness Program is a policy matter for the Board of Supervisors.

2. Should the Board of Supervisors choose to approve the proposed ordinance, the proposed \$40,000 for contractual services should be placed on reserve pending the DPH submission of a detailed budget for these contractual services, along with specific information related to MBE/WBE contract participation, estimated contractual hours and hourly rates.



Item 10 - File 270-90-11

**Department:** Parking and Traffic Department  
Department of Public Works

**Item:** Resolution approving expenditure of funds from the Mayor's Earthquake Emergency Relief Fund to manufacture and install signs and employ temporary Parking Control Officers to enforce traffic control, and urging the Mayor and the Department of Public Works to file for reimbursement of these funds from FEMA.

**Amount:** \$180,000

**Source of Funds:** Mayor's Earthquake Emergency Relief Fund

**Description:** The Mayor's Earthquake Emergency Relief Fund was established to collect private donations for providing emergency relief from the October earthquake. According to the Administrative Code provisions governing the administration of the Mayor's Earthquake Emergency Relief Fund, established by ordinance in October of 1989, all proposed expenditures of Earthquake Relief Funds must be recommended by the Mayor and approved by resolution of the Board of Supervisors, which is in contrast to supplemental appropriation ordinances.

This proposed resolution would approve the expenditure of \$180,000 on traffic sign improvements and temporary salaries for Parking Control Officers to facilitate traffic flow on surface streets leading to the North Beach, Chinatown, and Fisherman's Wharf neighborhoods from alternate freeway entrances and exits along Interstate 80. Freeway entrances and exits that normally empty into Chinatown and Northbeach along the Embarcadero Freeway have been closed due to structural weakening from the earthquake. Specific improvements would include installation of direction and parking control signs and direction of traffic at intersections and parking enforcement by Parking Control Officers.

Proposed expenditures are as follows:

Manufacture and Installation of traffic signs (to be installed by DPW)	\$60,000
25 temporary Parking Control Officers - @ \$958 per pay period times 4 pay periods (funding through 7/31/90)	95,800
3 temporary Senior Parking Control Officers @ \$1,057 per pay period times 4 pay periods (funding through 7/31/90)	12,700
Uniforms (\$500 per year per Officer, prorated)	2,500
Van rental for two months. Vans will be used to transport Parking Control Officers to and from their assigned beats.	<u>\$9,000</u>
Total	\$180,000

Mr. Scott Shoaf of the Department of Public Works reports that DPW plans to install 645 directional, and parking and traffic signs along various access routes leading to the Chinatown, Northbeach, and Fisherman's Wharf neighborhoods. These signs would delineate changes in no-parking, truck parking, and loading zones, as well as provide direction to Chinatown, Northbeach, and Fisherman's Wharf.

The Parking Control Officers would be used to enforce revised curbside parking regulations along the access routes and direct traffic at various intersections in order to increase traffic flow. Parking Control Officers would strictly enforce double parking, illegal curbside parking and parking in loading zones along the access routes.

Ms. Rina Cutler of the Parking and Traffic Department reports that a Civil Service List for Parking Control Officers currently exists, and that upon approval of the resolution by the Board of Supervisors, the Department will begin hiring the Parking Control Officers. Mr. Shoaf has advised that DPW will install the signs by June 15, 1990.

The proposed resolution also urges the Mayor and the Department of Public Works to file a reimbursement claim with the Federal Emergency Management Agency (FEMA) for these expenditures.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Comments:**

1. The Controller's Office reports that the Mayor's Earthquake Emergency Relief Fund currently has a balance of \$3,668,991.13.
2. According to Mr. Shoaf of DPW, the actual cost of manufacturing and installing the directional and parking control signs is \$65,000, instead of \$60,000, for a difference of \$5,000. Mr. Larry Florin of the Mayor's Office and Mr. Shoaf have further advised that the Mayor's Office intends to request an amendment to the resolution to add the difference of \$5,000 in order to reflect the actual cost of the signs.
3. Ms. Cutler reports that the Parking Control Officer positions are temporary, although the Department has proposed these positions in its 1990-91 budget and has budgeted funds to cover these positions for the entire year. The funding for these positions, as proposed in this resolution, would allow the Parking and Traffic Department to hire the Parking Control Officers on a temporary basis until the 1990-91 budget is approved. If approved in the 1990-91 budget, the actual budgeted amount for the 25 permanent Parking Control Officer positions and the three Senior Parking Control Officers should be reduced to account for the temporary funding of the positions, through July 31, 1990, from the Earthquake Emergency Relief Fund.
4. The annual salary for Parking Control Officers and Senior Parking Control Officers is \$25,004 and \$27,588 at the first step, respectively. The annual cost to the City of all 28 positions including salaries and fringe benefits is approximately \$809,600 at the first step. Ms Cutler has advised that the source of funds for the annual cost of the proposed positions is the Offstreet Parking Fund. As of the writing of this report, the Parking and Traffic Department was unable to provide an estimate of the revenues to be earned by employing the 28 new positions. These positions and the related revenues will be examined in the 1990-91 budget review.

**Recommendation:** Approve the proposed resolution.



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Item 11 - File 270-90-9

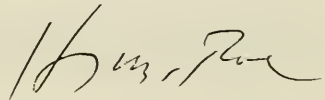
The proposed resolution would approve expenditure of \$32,000 for payment to San Francisco Alive for providing services related to obtaining disaster relief assistance for San Francisco residents.

Comment

The proposed resolution was approved at the Board of Supervisors meeting on May 14, 1990 on immediate adoption.

Recommendation

Table the proposed resolution.



Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





*Action  
Taken*

CALENDAR  
MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

*ITEMS ON  
MAY 25 1990  
11:00 AM  
1:00 PM*

WEDNESDAY, MAY 23, 1990 - 2:00 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

ABSENT: SUPERVISOR WALKER, ITEM 5

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - a) File 25-90-13. [Contracting Out City Services] Resolution concurring with the Controller's certification that services of the Court Management System Coordinator can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Municipal Court)
  - b) File 28-90-8. [Airport Administration] Resolution approving a declaration of emergency, emergency repair of 20-inch water main - north oxidation pond - \$91,875.00. (Airports Commission)
  - c) File 64-90-10. [Lease of Real Property] Resolution authorizing lease of real property at 1155 Market Street for Public Utilities Commission. (Real Estate Department)
  - d) File 130-90-3. [Anti-Drug Abuse] Resolution authorizing the Chief Adult Probation Officer of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$121,050 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Adult Probation's Drug Abatement Project". (Mayor's Public Safety Office)

- e) File 138-90-1. [Anti-Drug Abuse] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$212,770 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco District Attorney's Drug Abatement Project". (Mayor's Public Safety Office)
- f) File 143-90-1. [Anti-Drug Abuse] Resolution authorizing the Chief of Police of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$45,000 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Drug Education and Abatement Project" and agreeing to provide cash match in the amount of \$45,000. (Mayor's Public Safety Office)
- g) File 143-90-2. [Anti-Drug Abuse] Resolution authorizing the Chief of Police of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$74,450 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Police Department's Drug Abatement Project". (Mayor's Public Safety Office)
- h) File 152-90-1. [Anti-Drug Abuse] Resolution authorizing the Sheriff of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$81,500 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Sheriff's Drug Abatement Project". (Mayor's Public Safety Office)
- i) File 146-90-28. [Grant - State Funds] Resolution authorizing the Department of Public Health, Community Substance Abuse Services to accept and expend a grant in the amount of \$93,243 from the State of California, Department of Alcohol and Drug Programs as identified in its division of drug programs final allocation for Fiscal Year 1989-90 as "ADMS Special Projects/Fed. Cat #13.992/Mini-Grant/AIDS" to continue the provision of substance abuse treatment services to pregnant intravenous drug users and their families. (Mayor)
- j) File 146-90-29. [Grant - State Funds] Resolution authorizing the Department of Public Health, Central Administration, EMS Agency to apply for, accept and expend for a grant of \$47,600 from the State Emergency Medical Services Authority for a study of high dose epinephren and norepinephren in prehospital cardiac arrest victims. (Mayor)
- k) File 146-90-30. [Grant - Private Funds] Resolution authorizing the Department of Public Health, Homeless Program, to accept and expend a grant of \$20,000 from Comic Relief, Inc., for services to homeless persons. (Mayor)

- l) File 146-90-31. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, Community Substance Abuse Services acting as sub-grantee in collaboration with the University of California acting as prime grantee to accept and expend a grant in the amount of \$66,128 from the United State Department of Health and Human Services - Alcohol, Drug Abuse and Mental Health Administration to study the prevalence of human immunodeficiency virus among alcoholics seeking treatment. (Mayor)
- m) File 101-87-13.11. [Release of Funds] Requesting release of reserved funds, Fire Department, in the amount of \$159,961, for installation of emergency generators at high pressure system tanks and reservoirs, Project #613-01, Ordinance No. 394-87. (Fire Department)
- n) File 101-89-33.1. [Release of Funds] Requesting release of reserved funds, Sheriff, in an amount totalling \$410,149, for work necessary to obtain Proposition 52 Funding (\$123,060 Real Estate Department, for parking lot leases and service fee, \$103,376 Bureau of Architecture, Construction Management - Design Phase and \$183,713 Phase I Consultant Contract Programming and Planning). (Sheriff)

ACTION: ITEMS 1c, 1d, 1e, 1f, 1g, 1h, 1j, 1m, AND 1n SEVERED. REMAINDER OF CONSENT CALENDAR RECOMMENDED.

ITEM 1c, File 64-90-10. RECOMMENDED.

Item 1d, File 130-90-3. AMENDED TO DELETE EXPENDITURE OF FUNDS. NEW TITLE: "[Anti-Drug Abuse] RESOLUTION AUTHORIZING THE CHIEF ADULT PROBATION OFFICER OF THE CITY AND COUNTY OF SAN FRANCISCO TO APPLY FOR AND ACCEPT FUNDS IN THE AMOUNT OF \$121,050 MADE AVAILABLE THROUGH THE OFFICE OF CRIMINAL JUSTICE PLANNING FOR A PROJECT ENTITLED "SAN FRANCISCO ADULT PROBATION'S DRUG ABATEMENT PROJECT"." RECOMMENDED AS AMENDED.

ITEM 1e, File 138-90-1. AMENDED TO DELETE EXPENDITURE OF FUNDS. NEW TITLE: "[Anti-Drug Abuse] RESOLUTION AUTHORIZING THE DISTRICT ATTORNEY OF THE CITY AND COUNTY OF SAN FRANCISCO TO APPLY FOR AND ACCEPT FUNDS IN THE AMOUNT OF \$212,770 MADE AVAILABLE THROUGH THE OFFICE OF CRIMINAL JUSTICE PLANNING FOR A PROJECT ENTITLED "SAN FRANCISCO DISTRICT ATTORNEY'S DRUG ABATEMENT PROJECT"." RECOMMENDED AS AMENDED.

ITEM 1f, File 143-90-1. AMENDED TO DELETE EXPENDITURE OF FUNDS. NEW TITLE: "[Anti-Drug Abuse] RESOLUTION AUTHORIZING THE CHIEF OF POLICE OF THE CITY AND COUNTY OF SAN FRANCISCO TO APPLY FOR AND ACCEPT FUNDS IN THE AMOUNT OF \$45,000 MADE AVAILABLE THROUGH THE OFFICE OF CRIMINAL JUSTICE PLANNING FOR A PROJECT ENTITLED "SAN FRANCISCO DRUG EDUCATION AND ABATEMENT PROJECT" AND AGREEING TO PROVIDE CASH MATCH IN THE AMOUNT OF \$45,000." RECOMMENDED AS AMENDED.

ITEM 1g, File 143-90-2. AMENDED TO DELETE EXPENDITURE OF FUNDS AND TO REDUCE TOTAL OF GRANT TO \$15,268. NEW TITLE: "[Anti-Drug Abuse] RESOLUTION AUTHORIZING THE CHIEF OF POLICE OF THE CITY AND COUNTY OF SAN FRANCISCO TO APPLY FOR AND ACCEPT FUNDS IN THE AMOUNT OF \$15,268 MADE AVAILABLE THROUGH THE OFFICE OF CRIMINAL JUSTICE PLANNING FOR A PROJECT ENTITLED "SAN FRANCISCO POLICE DEPARTMENT'S DRUG ABATEMENT PROJECT"." RECOMMENDED AS AMENDED.

ITEM 1h, File 152-90-1. RECOMMENDED.

ITEM 1j, File 146-90-29. RECOMMENDED.

ITEM 1m, File 101-87-13.11. RELEASE OF \$159,961 RECOMMENDED. FILED.

ITEM 1n, File 101-89-33.1. CONTINUED TO 6/6/90.

#### REGULAR CALENDAR

2. File 101-89-43. [Government Funding] Ordinance appropriating \$790,923, Superior Court and County Clerk, for permanent salaries and related mandatory fringe benefits, uniforms, fees and other compensation (visiting judges), telephones, janitorial services, office machine rental, electricity, heat and water, office supplies, rental of property, data/word processing equipment, office equipment and services of other department - Public Works - Building Repair, for the creation of five (5) positions. (Controller) RO #9094 (companion to File 102-89-15 and 64-90-9)

ACTION: AMENDMENT OF THE WHOLE ADOPTED. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$26,001, SUPERIOR COURT, FOR RENTAL OF PROPERTY FOR FISCAL YEAR 1989-90." RECOMMENDED AS AMENDED.

3. File 102-89-15. [Public Employment] Ordinance amending Annual Salary Ordinance 1989-90, Office of the County Clerk and Superior Court, reflecting the addition of five (5) positions (Classifications (2) 8113 Court Clerk, (1) 8106 Legal Process Clerk and (2) 0710 Phonographic Reporter). (Civil Service Commission) (companion to File 101-89-43)

ACTION: TABLED.

4. File 64-90-9. [Lease of Real Property] Resolution authorizing lease of real property at 555 Polk Street for Superior Court. (Real Estate Department) (companion to File 101-89-43)

ACTION: RECOMMENDED.

5. File 101-89-131. [Government Funding] Ordinance appropriating \$142,000, Controller, data processing/word processing equipment maintenance, rescinding \$81,000 from permanent salaries, \$31,000 from temporary salaries and \$30,000 from retirement benefits. RO #9275 (Controller)

ACTION: RECOMMENDED.



6. File 101-89-132. [Government Funding] Ordinance appropriating \$196,104, Fire Department, for services of other departments - Central Shops (automotive repairs). RO #9277. (Controller).

ACTION: RECOMMENDED.

7. File 101-89-135.1. [Governmental Funding] Ordinance appropriating \$2,600,000, Department of Social Services, for adoption aid and foster care, for fiscal year 1989-90; providing for ratification of action previously taken; an emergency measure. (Supervisor Walker)

ACTION: RECOMMENDED.

8. File 101-89-140. [Government Funding] Ordinance appropriating \$582,088, Department of Social Services, for professional and special services and data/word processing professional services, for fiscal year 1989-90; providing for ratification of action previously taken. RO # 9291 (Supervisor Walker)

ACTION: AMENDED TO PLACE \$60,000 IN RESERVE. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$582,088, DEPARTMENT OF SOCIAL SERVICES, FOR PROFESSIONAL AND SPECIAL SERVICES AND DATA/WORD PROCESSING PROFESSIONAL SERVICES, FOR FISCAL YEAR 1989-90; PROVIDING FOR RATIFICATION OF ACTION PREVIOUSLY TAKEN; PLACING \$60,000 IN RESERVE." RECOMMENDED AS AMENDED.

9. File 62-90-2. [Saddle Horse Lease] Ordinance approving a five-year lease with Jay Barnes, dba Mather Saddle and Pack Station, for establishing and operating a professional saddle horse concession at Camp Mather, Tuolumne County, California. (Recreation and Park Department)

ACTION: RECOMMENDED.

10. File 65-90-1. [Lease of Medical Research Site] Ordinance authorizing and approving lease of a portion of the First Floor Building 100 at San Francisco General Hospital to the Regents of the University of California. (Real Estate Department)

ACTION: CONTINUED TO 5/30/90.

11. File 97-90-22. [Animal Care & Control Department] Ordinance amending Administrative Code, Chapter 10, Article XV, Section 10.169-7, to increase the amount of the Animal Care and Control Department Revolving Fund from \$2,000 to \$5,000; amending Section 10.117-87 to provide that funds be appropriated to the department; amending Section 10.88 to add employees of the Animal Care and Control Department. (Chief Administrative Officer)

ACTION: AMENDMENT OF THE WHOLE ADOPTED AND FURTHER AMENDED. (SEE FILE FOR DETAIL.) NEW TITLE: "[Animal Care & Control Department] ORDINANCE AMENDING ADMINISTRATIVE CODE, CHAPTER 10, ARTICLE XIII, SECTION 10.88 TO ADD EMPLOYEES OF THE ANIMAL CARE AND CONTROL DEPARTMENT." RECOMMENDED AS AMENDED.

12. File 12-90-19. Hearing to consider Budget Analyst's report on cost analysis of State Proposition 115 entitled: Crime Victims' Reform Act and commonly known as the "Speedy Trial Initiative". (Supervisor Walker)

ACTION: HEARING HELD. RESOLUTION (as presented by Supervisor Walker in Committee) PREPARED IN, FURTHER AMENDED, AND REPORTED OUT OF COMMITTEE. SEE FILE FOR DETAIL. NEW TITLE: [Proposition 115; Speed Trial Initiative] RESOLUTION OPPOSING THE PASSAGE OF PROPOSITION 115, THE CRIME VICTIMS' JUSTICE REFORM ACT (SPEEDY TRAIL INITIATIVE), ON THE JUNE, 1990 CALIFORNIA BALLOT." RECOMMENDED AS AMENDED. SUPERVISOR MAHER DISSENTING IN COMMITTEE.

0.25  
CITY AND COUNTY



OF SAN FRANCISCO

190  
**BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

May 23, 1990

**TO:** Finance Committee  
**FROM:** Budget Analyst  
**SUBJECT:** May 23, 1990 Finance Committee Meeting

DOCUMENTS DEPT.

MAY 24 1990

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Item 1a - File 25-90-13

**Department:** Municipal Court

**Item:** Resolution concurring with the Controller's Certification of costs required by Charter Section 8.30-I (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Court Management System Coordinator

**Description:** The Controller has determined that contracting for the Court Management System Coordinator services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operated Service Costs</u>		
Salaries and Fringe Benefits	\$60,309	\$71,169
<u>Contracted Service Costs</u>	<u>47,000</u>	<u>47,000</u>
<u>Estimated Savings</u>	\$13,309	\$24,169

**Comments:**

1. Court Management System Coordinator services were first certified as required by Charter Section 8.300-1 in 1978 and have continued to be provided by an outside contractor since then.
2. The one-year contract which will expire June 30, 1990 is with Shaffer Consulting Co. The Contracted Service Cost used for the purpose of this analysis is an informal bid from the contractor.
3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.



CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department Municipal Court For Time Period FY 1990-91  
Contract Services Court Management System Coordinator

- 1) Who performed services prior to contracting out?

Coordinator services were originally provided through the LEAA grant during development of the Court Management System (CMS).

- 2) Number of City employees laid off as result of contracting out?

None.

- 3) Explain disposition of employees if they were not laid off.

Coordinator has made the use of CMS more adaptable to office operations. City employees began to benefit from computer support.

- 4) What percent of a City employee's time is spent on services to be contracted out?

None. The coordinator position crosses over nine City departments in supporting and using CMS.

- 5) How long have the services been contracted out?

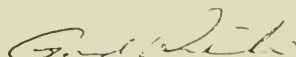
Since 1978.

- 6) What was the first fiscal year for a Proposition J certification?

The year when Proposition J became legal in San Francisco.

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

To meet our needs -- yes.



Department Representative

Telephone: 554-4516



Item 1b - File 28-90-8

**Department:** San Francisco International Airport

**Item:** Resolution approving emergency repair of a water main

**Amount:** \$91,875

**Source of Funds:** 1983 Series D Airport Revenue Bonds

**Description:** The Airport has determined that an emergency exists due to a broken 20" water main located near the Airport's north oxidation pond and that the needed repairs are beyond the capability of Airport Civil Service maintenance staff. The Airport advises that this water main is one of two water feeder lines which supply water to the northern half of the Airport. An emergency was declared by the Airports Commission on April 4, 1990.

In accordance with Section 6.30 of the Administrative Code, the Airport initiated an expedited bidding procedure for the necessary construction work on the damaged water main. Under this expedited procedure the Airport awarded a contract for repairs to the water main to Gaston and Jones Inc. on April 17, 1990. Mr. Reuben Halili of the Airport reports that repair work began on the water main, which had been temporarily shut-down, on May 8, 1990. The estimated completion date for the repair work is June 5, 1990. Although the repair work is in progress and Gaston and Jones Inc. has not as yet billed the Airport for final costs for the project, Mr. Halili states that the \$91,875 is still the estimated cost of the project.

**Comment:** Mr. Halili reports that Gaston and Jones Inc. is a Minority Business Enterprise (MBE) firm.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Finance Committee  
May 23, 1990

Item 1c - File 64-90-10

**Department:** Public Utilities Commission (PUC)  
Real Estate

**Item:** Resolution authorizing a new lease of real property

**Location:** 1155 Market Street (portion of ground floor premises)

**Purpose of Lease:** To provide expanded office space for the Public Utilities Commission

**Lessor:** Skyline Holdings

**Number of sq. ft. and Cost/Month:** Approximately 2,583 sq.ft. @ \$1.50/sq.ft. = \$3,875/month

**Annual Cost:** \$46,500

**Utilities and Janitor Provided by Sublessor:** Yes

**Source of Funds:** Funds for May 29, 1990 through June 30, 1990 are appropriated in the Public Utilities Commission's operating budget for 1989-90. Funds for the remaining term of the lease have been included in the Department's FY 1990-91 budget request.

**Term of Lease:** The lease would commence May 29, 1990, or as soon thereafter as the legislation authorizing the lease is adopted by the Board of Supervisors, and would be on a month-to-month basis for a period not to exceed six months.

**Right of Renewal:** If needed, the lease could be extended on a month-to-month basis after the initial six month term expires.

**Comment:** 1. The PUC currently occupies approximately 37,805 sq. ft. of office space (floors 4, 5 and 7) at 1155 Market Street. The current cost per square foot for this space is approximately \$1.54 for a total monthly rental of approximately \$58,151.

2. In 1988, the PUC made a policy decision to perform the maximum level of design engineering and construction management services using Utilities Engineering Bureau (UEB) personnel instead of outside consultants. This decision, according to Mr. Flint Nelson of the PUC, resulted in the need to expand the staffing level of the UEB, by an additional ninety positions (engineering, management and clerical), from a total of 175 to 265. Mr. Nelson reports that since July of 1989 the UEB has filled 42 of these positions. In addition to the 42 positions already filled, Mr. Nelson reports that the UEB will fill nine more vacant positions by May 29, 1990, resulting in a total of 51 of the ninety positions being filled this fiscal year. The PUC anticipates filling the remaining 39 positions in FY 1990-91. Mr. Tom Jordan of the PUC advises that as a result of the increase in the UEB staffing level, the existing office space, which provides approximately 130 sq.ft. per employee, is now overcrowded. In order to relieve the overcrowding, the PUC is proposing to relocate 18 of the newly hired employees into the proposed new space at 1155 Market Street. According to Mr. Jordan this additional new space, in conjunction with the existing space, would provide approximately 145 sq.ft. of space per employee.

3. The proposed lease would serve as interim space for the 18 newly hired UEB employees. The PUC reports that the Real Estate Department is in the process of exploring options for a long term lease for additional space, that would accommodate these 18 UEB employees, plus the additional 39 employees scheduled to be hired in FY 1990-91.

4. According to the Real Estate Department, the proposed monthly rental rate of \$3,875 for 2,583 sq.ft. @ \$1.50 per square foot represents the current fair market rental for the proposed space.

**Recommendation:** Approve the proposed resolution.

Memo to Finance Committee  
May 23, 1990

Item 1d -File 130-90-3

**Department:** Adult Probation

**Item:** Resolution authorizing the Chief Adult Probation Officer to apply for, accept and expend a continuation State grant.

**Amount:** \$121,050

**Source of Funds:** California Office of Criminal Justice Planning (OCJP)

**Grant Period:** January 1, 1991 through June 30, 1991 (6 months)

**Project Title:** San Francisco Adult Probation's Drug Abatement Project

**Description:** The San Francisco Adult Probation's Drug Abatement Project targets street-level drug offenders and provides assistance for drug offenders through field surveillance, frequent drug testing and close supervision of probationers' participation in treatment. This program will continue to provide frequent drug testing of probationers and close supervision of probationers' progress in treatment. Field surveillance will be used as necessary to insure frequent contacts with probationers, and verification of residence, employment and general compliance with conditions of probation.

Part of the project will consist of working with female probationers who are pregnant drug users, particularly users of crack cocaine, and drug-using mothers of small children. The goal will be not only the rehabilitation of the probationers but the protection of their children. The project will also concentrate on offenders aged 18 to 21 who are involved in drug sales and gang activity.

**Grant Budget:**

Personnel:	
2 Class 8442 Senior Probation Officers (Full time)	\$45,440
Night Differential for Senior Probation Officers	710
1 Class 1426 Sr Clerk Typist (Full time)	13,102
1 Asst. Toxicologist, Coroner (Full time)	<u>19,745</u>
Subtotal	\$78,997
Fringe Benefits	17,213
Travel (OCJP Requirement)	1,634
Material and Supplies	15,943
Indirect Cost	6,053
Audit Cost	<u>1,210</u>
Total	\$121,050

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



**Local Match:** None

**Indirect Cost Rate:** 5% of project costs.

- Comments:**
1. According to Mr. Tom Job of the Adult Probation Department, the proposed grant provides for a continuation of the existing Adult Probation's Drug Abatement Project.
  2. It is possible that if more funds are made available to the State Office of Criminal Justice Planning, this grant could be augmented at a later date which may require an extension in the grant period. Therefore, the proposed resolution contains the phrase "including any extensions or amendments thereof" so that the grant may be extended in a timely fashion. The previous resolutions for this grant, which contained this same language, were approved by the Board of Supervisors. At the present time there is a grant extension in effect which continues the subject program until December 31, 1990.
  3. The proposed continuation grant is one of five projects included in this Report to the Finance Committee as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
1d Adult Probation *	130-90-3	\$121,050
1e District Attorney	138-90-1	212,770
1f Police	143-90-1	45,000
1g Police	143-90-2	74,450
1h Sheriff	152-90-1	<u>81,500</u>
Total		\$534,770

\* This project

**Recommendation:** Approve the proposed resolution.



Item 1e - File 138-90-1

**Department:** District Attorney

**Item:** Resolution authorizing the District Attorney to apply for, accept and expend a continuation State grant.

**Amount:** \$212,770

**Source of Funds:** California Office of Criminal Justice Planning (OCJP)

**Grant Period:** January 1, 1991 through June 30, 1991 (6 months)

**Project Title:** San Francisco District Attorney's Drug Abatement Project

**Description:** The District Attorney's Drug Abatement Project provides staff to focus on a more aggressive prosecution of an increasing number of drug-related cases. The continuation of the assignment of three additional attorneys and two additional investigators allows for the singling out of significant narcotics sources and offenders for intensive investigation and prosecution.

The staff in the District Attorney's Office assigned to this Project will focus on major and mid-level drug offenders and gang-related offenders. The gang-related drug offenders have been added as a target to this project due to an increase in gang activity. This unit will be responsive to various local/state/federal task forces which are attacking major and mid-level offenders.

**Grant Budget:**

Personnel:	
1 8182 Head Attorney (7% time)	\$3,263
3 8180 Principal Attorneys (Full time)	124,539
1 8146 Investigator (Full time)	23,517
1 8132 Assit. Investigator (70% time)	<u>11,404</u>
Subtotal	\$162,723
Fringe Benefits	36,696
Material and Supplies	584
Indirect Cost	10,639
Audit Cost	<u>2,128</u>
Total	\$212,770

**Local Match:** None

**Indirect Cost Rate:** 5% of project costs.

**Comments:**

1. According to Ms. Charlotte Martinez in the District Attorney's Office, the proposed grant provides for a continuation of the District Attorney's Drug Abatement Project.

2. It is possible that if more funds are made available to the State Office of Criminal Justice Planning, this grant could be augmented at a later date which may require an extension in the grant period. Therefore, the proposed resolution contains the phrase "including any extensions or amendments thereof" so that the grant may be extended in a timely fashion. The previous resolutions for this grant, which contained this same language, were approved by the Board of Supervisors. At the present time there is a grant extension in effect which continues the subject program until December 31, 1990.

3. The proposed continuation grant is one of five projects included in this Report to the Finance Committee as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
1d Adult Probation	130-90-3	\$121,050
1e District Attorney *	138-90-1	212,770
1f Police	143-90-1	45,000
1g Police	143-90-2	74,450
1h Sheriff	152-90-1	<u>81,500</u>
Total		\$534,770

\* This project

**Recommendation:** Approve the proposed resolution.

Item 1f - File 143-90-1

**Department;** Police

**Item:** Resolution authorizing the Chief of Police to apply for, accept and expend a continuation State grant.

**Amount:** \$45,000

**Source of Funds:** California Office of Criminal Justice Planning (OCJP)

**Grant Period:** October 1, 1990 through September 30, 1991

**Project Title:** San Francisco Drug Education and Abatement Project

**Description:** This proposed grant would be the fourth year of funding for the San Francisco Drug Education and Abatement Project in the City's 110 elementary schools (72 public and 38 private schools). There are six program components which identify project objectives and activities targeted for 2nd, 3rd, 4th and 5th grade curriculum as follows:

1. A local Suppression of Drug Abuse in Schools Advisory Committee will ensure completion of grant components, group coordination and development of future funding assumptions presented to the SFPD and SFUSD.
2. The Drug Traffic Intervention Program component includes visits to 110 elementary schools by drug education officers talking with students and addressing students and faculty concerns.
3. School and classroom oriented programs involve five hours of police and eight hours of teacher taught drug education curriculum for 19,570 elementary students. Thirteen police officers will be given three hours of curriculum and classroom management training.
4. Family oriented programs will be continued during the fourth year including the recruiting of parent participants, the training of facilitators and the organization of workshops.
5. Use of written and audio-visual aids for training of school and law enforcement staff for handling drug-related problems and offenses.
6. Development of a coordinated intervention system that identifies high risk juveniles or students with chronic drug abuse problems.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

<b>Grant Budget:</b>	<b>Personnel:</b>		
	Overtime Salaries		
	(8 Police Officers working 150 hours		
	each @ \$33.00/hour)		\$39,600
	<b>Consultant:</b>		
	Fleming- Coordination and Co-		
	presentation of Parent Drug		
	Workshops	24,000	
	Catholic Charities - Coordinating		
	Counselling - Services for targeted		
	public schools	6,360	
	Center for Human Development		
	Parent Workshops Facilitator	<u>11,540</u>	
	Subtotal		41,900
	Travel (OCJP Requirement)		2,500
	Indirect Cost		4,500
	Audit Cost	<u>1,500</u>	
	Total		\$90,000
	Less Required 50% local Match	<u>45,000</u>	
	Proposed OCJP Grant		\$45,000

**Local Match Requirement:** \$45,000

**Indirect Cost Rate:** 5% of project costs.

- Comments:**
1. The required local match of \$45,000 would be funded from the Police Department's Narcotics Forfeiture Fund and would be identified in the 1990-91 Police Department budget. The \$45,000 grant represents 50% of the total project budget of \$90,000.
  2. This funding request of \$45,000 represents an increase of \$9,000 (25%) from the \$36,000 level of funds received for FY 1989-90.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

3. The proposed continuation grant is one of five projects included in this Report to the Finance Committee as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
1d Adult Probation	130-90-3	\$121,050
1e District Attorney	138-90-1	212,770
1f Police *	143-90-1	45,000
1g Police	143-90-2	74,450
1h Sheriff	152-90-1	<u>81,500</u>
Total		\$534,770

\* This project

**Recommendation:** Approve the proposed resolution.



Item 1g -File 143-90-2

**Department:** Police Department

**Item:** Resolution authorizing the Chief of Police to apply for, accept and expend a continuation State grant.

**Amount:** \$74,450

**Source of Funds:** California Office of Criminal Justice Planning (OCJP)

**Grant Period:** July 1, 1990 through December 31, 1990 (6 months)

**Project Title:** San Francisco Police Department's Drug Abatement Project

**Description:** The proposed grant will primarily target major violators engaged in illicit distribution, sales, trafficking and financing of narcotics on an interstate or international basis, as well as some mid-level drug traffickers involved in the purchase and distribution of large amounts of controlled substances including cocaine, heroin and methamphetamine. The project will concentrate on the use of City hotels and motels as the focal point to apprehend drug couriers and dealers.

The first month of the grant will be used to make contact with the hotel/motel industry in the City. The Hotel Council, a non-profit business association of hotel owners and managers will be used as a resource to instruct hotel personnel in the patterns, characteristics and trends used by narcotic traffickers.

Starting with the second month of operations, the investigators assigned to the project will begin developing and cultivating sources of information within the hotel/motel industry and begin investigative procedures, including information sharing, identification of targets, and providing assistance to outside agencies as needed, and providing training to hotel staff as it may apply.

<b>Grant Budget:</b>	Personnel: (see Comment 1)	
	1 Class 8260 Criminalist (6 months)	\$20,953
	1 Q380 Inspector (6 months)	25,307
	1 Q2 Police Officer (6 months)	<u>21,717</u>
	Subtotal	\$67,977
	Fringe Benefits	1,608
	Travel (OCJP) Requirement	663
	Indirect Cost	3,460
	Audit Cost	<u>742</u>
	Total	\$74,450

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



**Local Match:** None

**Indirect Cost Rate:** 5% of project costs.

**Comments:**

1. According to Lieutenant John Robinson of the Police Department, the proposed grant would continue the funding for a Class 8260 Criminalist and for the continuation, on overtime, for the Class Q380 Inspector and the Class Q2 Police Officer.

2. It is possible that if more funds are made available to the State Office of Criminal Justice Planning, this grant could be augmented at a later date which may also require an extension of the grant period. Therefore, the proposed resolution contains the phrase "including any extensions or amendments thereof" so that the grant may be extended in a timely fashion. The previous resolutions for this grant, which contained this same language, were approved by the Board of Supervisors. At the present time there is a grant extension in effect which continues the subject program until June 30, 1990.

3. The proposed continuation grant is one of five projects included in this Report to the Finance Committee as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
1d Adult Probation	130-90-3	\$121,050
1e District Attorney	138-90-1	212,770
1f Police	143-90-1	45,000
1g Police *	143-90-2	74,450
1h Sheriff	152-90-1	<u>81,500</u>
Total		\$534,770

\* This request.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 1h - File 152-90-1

**Department:** Sheriff

**Item:** Resolution authorizing the Sheriff to apply for, accept, and expend a new State grant.

**Amount:** \$81,500

**Source of Funds:** California Office of Criminal Justice Planning (OCJP)

**Grant Period:** July 1, 1990 through June 30, 1991 (12 months)

**Project Title:** San Francisco Sheriff's Drug Abatement Project

**Description:** The Sheriff's Drug Abatement Project provides staff to focus on in-custody pretrial felons who have been denied their own recognizance release by the duty judge after arrest or by the arraignment judge after arraignment. Project staff would supervise such felons providing drug counseling and monitoring, including urinalysis as deemed necessary. Project staff would follow the defendant's case to make sure that the defendant was properly instructed on making all required court appearances and probation appointments. The project is intended to provide intensive supervision so that early intervention into the defendant's drug lifestyle is gained.

**Grant Budget:**

Personnel:	
1 Class 8304 Deputy Sheriff (Full time)	\$32,442
1 Class 8274 Sheriff's Cadet (Full time)	<u>20,697</u>
Subtotal	\$53,139
Fringe Benefits	3,313
Travel (OCJP Requirement)	1,454
Material and Supplies	2,000
Equipment Rental - Home Detention Devices	
\$2.33 x 15 participants x 365 days, less fee revenue @ \$6,718 (anticipated)	6,039
Equipment Purchase	
Automobile, 4-door sedan with police equipment	10,000
Office Furniture - desk, chairs, files	<u>900</u>
Subtotal	10,900
Indirect Cost	3,840
Audit Cost	<u>815</u>
Total	\$81,500

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Local Match:** None

**Indirect Cost Rate:** 5% of project costs.

- Comments:**
1. According to Undersheriff Walter Thomas, the proposed grant provides funds for a new project in the Sheriff's Department with the provision for two new positions. Undersheriff Thomas advises that if this project is not renewed next year, the two new positions would not be funded from General Fund resources.
  2. It is possible that if more funds are made available to the State Office of Criminal Justice Planning, this grant could be augmented at a later date which may require an extension in the grant period. Therefore, the proposed resolution contains the phrase "including any extensions or amendments thereof" so that the grant may be extended in a timely fashion.
  3. The proposed new grant is one of five projects included in this Report to the Finance Committee as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
1d Adult Probation	130-90-3	\$121,050
1e District Attorney	138-90-1	212,770
1f Police	143-90-1	45,000
1g Police	143-90-2	74,450
1h Sheriff *	152-90-1	<u>81,500</u>
Total		\$534,770

\* This project

**Recommendation:** Approve the proposed resolution.

Item 1i - File 146-90-28

**Department:** Department of Public Health (DPH)  
Community Substance Abuse Services (CSAS)

**Item:** Resolution authorizing the Department of Public Health to accept and expend a State grant subvention.

**Amount of Grant:** \$93,243

**Source of Grant:** California Department of Alcohol and Drug Programs

**Grant Period:** July 1, 1989 through June 30, 1990

**Project:** Tom Smith Substance Abuse Treatment Center's Prenatal Program

**Description:** As part of the DPH's Tom Smith Substance Abuse Treatment Center residential program, the DPH would provide comprehensive services to approximately 20 female substance abusers who are pregnant and at high risk of developing AIDS. Program emphasis would include treatment for substance abuse, prenatal care, psychological services and education focused on substance abuse recovery, AIDS/safe sex education and parenting education with emphasis on the special needs of addicted infants. Treatment would not exceed three months per client. Specific project objectives include, (1) To provide AIDS education to 100% of clients in treatment, (2) To refer 75% of client population to aftercare or other supportive services in their communities and (3) To reduce unsafe sex practices and needle sharing among 75% of the client population.

<b>Grant Budget:</b>	<u>FTE</u>	
Staff Nurse	1.0	\$46,062
Psychiatric Technician	1.0	26,439
Fringe Benefits		<u>20,742</u>
Total	2.0	\$93,243

**Indirect Cost:** None

**Required Match:** None

**Comments:** 1. Dr. Wayne Clark of DPH reports that this request to accept and expend the State grant subvention, which is effective as of July 1, 1989, is being submitted at this time to the Board of Supervisors due to an administrative oversight.

2. The proposed State grant subvention is a direct allocation of State funds. Therefore, an application for this grant subvention is not needed.

3. The proposed \$93,243 in State grant subvention funds for FY 1989-90 is the same level of funding that was allocated in FY 1988-89.

4. Attached is the "Health Commission-Summary of Grant Request" prepared by DPH for this State grant subvention.

**Recommendation:** Approve the proposed resolution.

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Item No.            Health Commission - Summary of Grant RequestSTATE OF CALIFORNIA, DEPT. OF  
Grantor ALCOHOL AND DRUG PROGRAMS  
Contact Person Unknown  
Address 111 Capitol Mall  
Sacramento, CA 95814Division Mental Health, Substance Abuse & Forensic  
Section COMMUNITY SUBSTANCE ABUSE SVCS.  
Contact Person Wayne Clark, Ph.D.  
Telephone 255-3500Amount Requested \$ 93,243  
Term: From 7/1/89 To 6/30/90  
Health Commission 4/17/90Application Deadline Not applicable  
Notification Expected Not applicableBoard of Supervisors: Finance Committee             
Full Board           I. Item Description: Request to ~~(apply for)~~ <sup>subvention</sup> (accept and expend) a ~~new~~ (continuation) ~~(allocation)~~ <sup>(appropriation)</sup> grant in the amount of \$ 93,243 from the period of 7/1/89 to 6/30/90 to provide substance abuse treatment services to pregnant intra-venous drug users and their families.  
(Circle appropriate words)

II. Summary: (Contact history; need addressed; number + groups served; services and providers)

This is a continuation of a project started in FY 1988-89. It is considered "temporary" by the State and therefore was not incorporated into the base budget allocation for FY 1989-90. It will be folded into the FY 1990-91 base budget allocation. The problem of drug addicted babies born in San Francisco is of major concern to health officials. A survey of the Dept. of Health of local hospitals in the City indicate that 284 babies

(continued next page)

## III. Outcomes/Objectives:

1. To provide residential treatment to a minimum of 20 pregnant IV drug users.
2. To provide AIDS education to 100% of clients in treatment.
3. To refer 75% of client population to aftercare or other supportive services in their

(continued next page)

## V. Effects of Reduction or Termination of These Funds:

Services would be discontinued; however we expect State funding to continue under other categories, such as block grant funds, which could be used to continue to support the activities of this project.

## VI. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	N/A	\$ 93,243	\$ 93,243	-0-		
Personnel	N/A	93,243	93,243	-0-		
Equipment						
Contract Svc.						
Mat. & Supp.						
Activities/Space						
Other						
Indirect Costs	The State	of California doesn't permit indirect costs. Approx. 10% of the total annual allocation is expended on City program administration.				

## I. Data Processing

(costs included above)

## II. Personnel

FT CSC		2.0	2.0	0		
PT CSC						
Contractual		0	0			

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:  
Not applicable. Both positions are full time.

Will grant funded employees be retained after this grant terminates? If so, How?  
Probably not; however funds are expected to continue

II. Contractual Services: Open Bid N/A Sole Source N/A (If sole source, attach Request for Estimate Form)

Page 2  
Continued

II. Summary:

have tested positive for drugs since June 30, 1987. Doctors of the San Francisco General Hospital nursery said the numbers of cocaine-addicted babies born at the hospital have quadrupled since 1983. In 1989, more than 90% of mothers with drug-exposed babies had used cocaine exclusively or in combination with other drugs. A large percentage of the women are IV drug users. More than 50% of mothers who use cocaine receive no prenatal care. Because of their drug addiction many of these women, do not have adequate parenting or coping skills to deal with the special needs of their newborns.

III. Outcomes/Objectives:

communities.

4. To provide 1,488 days of services.

5. To reduce unsafe sex practices and needle sharing among 75% of the client population.



Item 1j - File 146-90-29

**Department:** Department of Public Health (DPH), Emergency Medical Services (EMS) Agency

**Item:** Resolution to apply for, accept and expend a new grant.

**Amount of Grant:** \$47,600

**Source of Grant:** State Emergency Medical Services Authority

**Grant Period:** November 1, 1988 through June 24, 1990

**Project:** Study of High Dose Epinephren and Norepinephren (Drugs to Treat Cardiac Arrest) in Pre-hospital Cardiac Arrest Victims

**Description:** The proposed grant would fund a one-time 16-month study to determine whether epinephren or norepinephren, both of which are drugs currently used to treat cardiac arrest victims, is the optimal drug to use to resuscitate cardiac arrest victims outside of the hospital. (A cardiac arrest victim is someone who has had a heart attack and whose heart has stopped beating.) The proposed study would also research the optimal dose for these drugs. In the study, all DPH ambulances would be stocked with commonly-labelled vials of either epinephren or norepinephren packaged by UCSF hospital staff. The paramedics would administer one of the two drugs to patients in cardiac arrest in accordance with standard procedures. The patient's response to the drug and other data would be collected and analyzed over the 16-month period. The DPH reports that application of the results may change current practice and may result in lives saved.

The study would be performed through a sole-source contract with the University of California, San Francisco (UCSF), due to the unique nature of the study.

**No. of Persons to be Studied:** Approximately 1,026 patients

**Project Budget:** UCSF Contractual Services  
Research Assistant  
0.5 FTE for 16 months @ approximately \$2,594/mo. \$20,750  
Statistical consultation  
17 hours @ \$50/hour 850

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Pharmacologist	
Packaging of 3,078 vials at a cost of \$5.85/vial, which includes labor, medicine and materials	\$18,000
Mainframe computer time	<u>150</u>
Subtotal UCSF Direct Costs	\$39,750
UCSF Indirect Costs	<u>3,925</u>
Subtotal UCSF Contract	\$43,675
<u>Indirect Costs</u>	<u>3,925</u>
Total Proposed Grant	\$47,600

**Indirect Costs:** \$3,925, which is approximately 10 percent of direct costs of \$39,750.

**Local Match:** None

**Comments:**

1. According to Dr. James Pointer of the DPH EMS Agency, both epinephren and norepinephren are Food and Drug Administration-approved drugs which are currently being used as cardiac arrest drugs, although they are administered in lower dosages than would be used in the the proposed study. The City currently uses epinephren. In addition, Dr. Pointer reports that the proposed study has been approved by the UCSF Investigational Review Board, which reviews DPH studies to ensure that they are ethical and that the rights of the subjects of the study (the cardiac arrest victims) are protected. Dr. Pointer states that the study would be discontinued if, during the study, the researchers found that administration of either of the drugs at the prescribed doses was having a significantly adverse effect on the patients. Dr. Pointer indicates that, as with other medical studies using human subjects, the proposed study involves a medical risk, but that the risk would not be significantly greater than the risk encountered by the medical profession in the everyday treatment of patients.

2. Attached is the "Health Commission-Summary of Grant Request" prepared by DPH for this grant.

**Recommendation:** Approval of the proposed resolution is a policy matter for the Board of Supervisors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



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Division Central Administration  
Section EMS Agency  
Contact Person Dr. James Pointer  
Telephone 554-2920  
Application Deadline 2/2/90  
Notification Expected \_\_\_\_\_  
Supervisors: Finance Committee \_\_\_\_\_  
Full Board \_\_\_\_\_

II. Summary: (Context/history; need addressed; number + groups served; services and providers)

UCSF research staff.

V. Effects of Reduction or Termination of These Funds:

#### V. Financial Information:

## 1. Data Processing

(costs included above)

## II. Personnel

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?

III. Contractual Services: Open Bid \_\_\_\_\_ Sole Source X (if sole source, attach Request for Estimate Form)



Memo to Finance Committee  
May 23, 1990

Item 1k - File 146-90-30

**Department:** Department of Public Health (DPH), Medically Indigent Adult (MIA) Office

**Item:** Resolution to accept and expend a grant augmentation.

**Amount of Grant:** \$20,000

**Source of Grant:** Comic Relief, Inc., a national non-profit organization established to raise funds for homeless programs.

**Grant Period:** January 1, 1990 through December 31, 1990

**Project:** Medical and Social Services for the Homeless

**Description:** On February 15, 1990, the Board of Supervisors authorized the DPH to apply for, accept and expend a grant of \$83,500 from Comic Relief, Inc., for the continuation of medical and social services to the homeless (File 146-90-5).

The proposed grant of \$20,000 would augment the \$83,500 grant for a total of \$103,500 from Comic Relief for the calendar year 1990. The services are provided at eight community based clinics, including the City-operated Tom Waddell Clinic.

**No. of Persons to be Served:** Approximately 3,700 clients

**Project Budget:**

Civil Service Salaries	
Social Worker	\$32,318
Health Worker I	21,372
Health Worker III	<u>26,078</u>
Subtotal Salaries	\$79,768
Mandatory Fringe Benefits	23,133
Materials and Supplies	<u>599</u>
Total Project Costs	103,500
Less Previously Authorized Grant Monies (File 146-90-5)	<u>83,500</u>
Balance to be Funded from the Proposed Grant (Subject of This Item)	\$20,000

**Indirect Costs:** None

BOARD OF SUPERVISORS  
BUDGET ANALYST

Memo to Finance Committee  
May 23, 1990

**Indirect Costs:** None

**Local Match:** None

**Comments:**

1. The previous grant award was for \$149,972 for the 21-month period from April 1, 1988 through December 31, 1989, which is approximately \$85,698 on an annualized basis. The proposed grant of \$103,500 (\$83,500 grant plus \$20,000 augmentation) is \$17,802 more than the annualized amount of the previous grant. Mr. Milligan states that the grant amount awarded is based on available funds from Comic Relief fundraising efforts.
2. Attached is the "Health Commission-Summary of Grant Request" prepared by DPH for this grant.

**Recommendation:** Approve the proposed resolution.

III. Contractual Services: Open Bid \_\_\_\_\_ Sole Source \_\_\_\_\_ (Use source attach Request for Estimate Form)

IV: Effects of Reduction or Termination of These Funds:

Reduction of time or loss of three staff persons and services they provide:

- 1) Social Worker who provides social services to homeless persons discharged from SFGH to facilitate their linkage to community support services after discharge.
- 2) Health Worker at Larkin Street Clinic who coordinates clinic services to homeless youth.
- 3) Health Worker who provides general support services at all homeless clinic sites.

Item 11 - File 146-90-31

**Department:** Department of Public Health (DPH)  
Community Substance Abuse Services (CSAS)

**Item:** Resolution authorizing the Department of Public Health, acting as a sub-grantee in collaboration with the University of California, to accept and expend a new Federal grant.

**Grant Amount:** \$66,128

**Source of Funds:** U.S. Department of Health and Human Services through the University of California

**Grant Period:** April 1, 1990 through December 31, 1990

**Project:** Research on Prevalence of HIV Risk and Infection Among Alcoholics Seeking Treatment

**Description:** The proposed research study would be conducted over a five year period and would be aimed at examining the risk of HIV infection for alcoholics and problem drinkers and determining to what extent alcohol abuse is related to specific high-risk activities and to the incidence of acquiring the HIV infection. It would also assess whether, and in what manner, problem drinkers might need to be specifically targeted with respect to AIDS education, intervention and drug rehabilitation. In addition, this study would reveal whether alcoholics may act as a source of HIV infection to the heterosexual community, and estimate whether the prevalence of HIV infection among alcoholics and problem drinkers is increasing over time.

The population to be studied would be a sample, taken over a one-year period, of approximately 1,788 alcoholics, aged 18-44, who are being treated for alcoholism at one of five alcohol treatment centers under contract with the DPH's Community Substance Abuse Services.

The University of California, as prime grantee, would be responsible for overseeing the entire research study, conducting participant interviews, analyzing study results, and preparing all reports related to the study. The DPH, as sub-grantee, would be responsible for coordination with the five alcohol treatment centers and for study-related data analysis and data collection.



<b>Budget:</b>	<u>Personnel</u>		
	Data Manager	(.5 FTE)	\$16,009
	Fringe Benefits		<u>4,803</u>
	Subtotal Personnel		\$20,812
	<u>Contractual</u>		
	Alcohol Treatment Centers		24,000
	<u>Operating Expenses</u>		
	Laboratory Tests		\$7,500
	Subject Reimbursements		<u>10,950</u>
	Subtotal Operating Expenses		18,450
	<u>Indirect Costs</u>		<u>2,866</u>
			\$66,128

**Required Match:** None

**Comment:** Attached is the "Health Commission-Summary of Grant Request" prepared by DPH for this State grant subvention.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



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# Item No.                      Health Commission - Summary of Grant Request

Grantor U.S. Dept. of Health & Human Services/ADAMHA  
 (Grantor) thru Univ. of Calif.  
 Contact Person (grantee) L. Petrakis  
 Address Office of Research Affairs Univ.  
of Calif. SF 94143-0962  
 Amount Requested \$ 66,128  
 Term: From 4/1/90 To 12/31/90  
 Health Commission 4/17/90 Board of Supervisors: Finance Committee                       
 Division Mental Health, Substance Abuse &  
 Section Community Substance Abuse Svc. Forensi  
 Contact Person Wayne Clark  
 Telephone 255-3500  
 Application Deadline N/A  
 Notification Expected N/A  
 Full Board                     

I. Item Description: Request to ~~(apply for)~~ as a subgrantee (accept and expend) a (new) ~~(continuation)~~ (allocation) (augmentation to a grant in the amount of \$66,128 from the period of 4/1/90 to 12/31/90 to provide research on prevalence of HIV among alcoholics seeking services. treatment.

II. Summary: (Context/history; need addressed; number + groups served; services and providers)

This is a new 5 year grant to the University of California as prime grantee and community Substance Abuse Services as subgrantee to assess the prevalence of HIV at five CSAS contract clinics which provide alcoholism services. Clinics are: 1) Tom Smith Substance Abuse Services; 2) CATS Redwood Center; 3) CATS Counseling Services for Drinking Drivers; 4) Bayview Hunter's Point Foundation; and 5) Mission Council/Latino Family Alcoholism Counseling Center. (Continue

## III. Outcomes/Objectives:

To determine prevalence and predictors of HIV infection and the incidence and predictors of sero-conversion in the alcoholic population in San Francisco.

## IV. Effects of Reduction or Termination of These Funds:

This is a research grant, not a service grant, which has been approved by the funder for the entire five year period. Therefore funds are unlikely to be reduced or terminated.

## V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	NA	NA	\$66,128			
Personnel			20,812			
Equipment						
*Contract Svc.			24,000			
Mat. & Supp.			7,500			
Facilities/Space						
Other : Subject	Reimbursement		10,950			
Indirect Costs			2,866			

## VI. Data Processing

(costs included above)

## VII. Personnel

F/T CSC					
P/T CSC			.5		
Contractual			0		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant: rant funded position is one-half time only.

Will grant funded employees be retained after this grant terminates? If so, How?

Possibly, by seeking additional grant funds.

VIII. Contractual Services: Open Bid                      Sole Source X (if sole source, attach Request for Exemption Form)

Summary of Grant Request (Cont'd)  
Page 2

II. Summary:

A multicultural group of clients seeks treatment at those clinics. A consecutive sample of approximately 730 clients will be selected during Year One from approximately 1,788 alcoholics, 18-44 years. Sample will include approximately 37% White, 33% Black, 25% Latino and 5% Other. The initial cross-sectional prevalence study will be followed by a prospective cohort study and a multiple cross-sectional study. The original sample will be used in all three studies. Community Substance Abuse Services will participate in this study at approximately the same level of funding for the entire grant period.

Item 1m - File 101-87-13.11

**Department:** Fire Department

**Proposed Action:** Release of reserved funds previously approved for capital improvement projects. The funds were reserved pending submission of detailed cost estimates for the purchase and installation of high pressure water systems.

**Amount:** \$159,961

**Source of Funds:** 1986 Fire Protection Bond (Proposition A) funds

**Description:** In November, 1986, City voters approved the issuance of Fire Protection System Improvement Bonds (Proposition A). Funds from the bond sale in the amount of \$46,200,000 are to be used for the improvement of the City's fire protection system.

In September of 1987, the Board of Supervisors approved the Fire Department's \$29,364,300 supplemental appropriation from the 1986 bond funds for capital improvement projects (File 101-87-13) and placed on reserve \$14,092,300 for the purchase, installation and improvements to the City's high pressure water system, including improvements to pump stations, tanks and reservoirs.

The Fire Department is now requesting release of \$159,961 of the \$14,092,300 in reserved funds for the installation of emergency generators at high pressure system tanks and reservoirs (Project #613-01). Chief Frank Blackburn of the Fire Department states that the requested release is needed to install an emergency generator at each of two reservoirs, the Jones Tank, at Jones and Clay Street and the Ashbury Tank, at 17th and Clayton Streets. Each of these high pressure system reservoirs and tanks currently has an electrically operated valve system. During the earthquake of October 17, 1989, due to the power outage, these electrically operated valves were inoperable. The proposed emergency generators would enable the high pressure system to remain operable during such emergencies, even without electric power.

**Comments:**

1. According to Mr. Bob Jew of the Department of Public Works, the proposed contract was publicly advertised in two newspapers. A total of five bids were received, one of which was a joint venture between two companies. The five bids are listed below, including each firm's MBE/WBE/LBE preference and the amount of each of the bids:

<u>Firms</u>	<u>Preference</u>	<u>Bids</u>
Abbett Electric Corporation	LBE	\$145,461
A.S. Ferrari & Son, Inc.	None	148,595
Millard Tong Construction Co.	MBE/LBE	186,400
E. Mitchell, Inc.	LBE	193,700
Howell & Clark, Inc. and Empire Electric Construction Co.	WBE	194,140

2. According to Mr. Jew, Abbett Electric Corporation, the lowest bidder at \$145,461, has been selected as the contractor for this project. As indicated above, Abbett Electric Corporation is a LBE, but not a MBE or WBE firm.

3. In March, 1990, the DPW had estimated that the cost for the proposed construction project would be \$126,000. Mr. Daniel Lee of the DPW's General Engineering Services, who prepared the estimate, indicated that the estimate was based on prices from vendors for generators, projected costs for labor and a profit margin. Mr. Lee stated that the unique nature of this project may have resulted in the DPW's lower estimate than the amount submitted by any of the bidders.

4. The proposed request for release of funds totals \$159,961, including contingencies and construction management fees for the DPW's Bureau of Engineering, as follows:

Contractor Costs - Abbett Construction	\$145,461
Contingency (5%)	7,250
Construction Management (5%)	7,250
Total	<u>\$159,961</u>

**Recommendation:** Release the reserved funds in the amount of \$159,961, as requested.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Item 1n - File 101-89-33.1

**Department:** Sheriff

**Proposed Action:** Release of reserved funds previously approved for capital improvement project start-up costs. The funds were reserved pending the submission of details regarding the proposed expenditures.

**Amount:** \$410,149

**Source of Funds:** Reserve for Public Safety established as part of the City's 1989-90 Annual Budget process.

**Description:** In the 1989-90 budget, a \$3.6 million Public Safety Reserve was established to fund local match requirements, including \$2.3 million to match State Jail Construction Bond Funds. In October, 1989, the Board of Supervisors approved a supplemental appropriation (File 101-89-33) of \$2,179,000 of the Public Safety Reserve to match State Jail Construction Bond Funds authorized by State Proposition 52. Of the \$2,179,000 in local funds which were appropriated, \$410,149 was placed on reserve pending the submission of details regarding the proposed use of those funds. The balance of \$1,768,851 has been encumbered for Proposition 52 pre-construction costs, including contractual services for pre-design planning, site testing, environmental review and architectural design services, and City Planning Department, Bureau of Architecture, Real Estate Department and Bureau of Engineering services for the Proposition 52 projects described below.

Proposition 52 funds may only be used for construction costs. All architectural and engineering fees, environmental review costs, construction management and other non-construction costs associated with the Proposition 52 construction are to be funded by the City. The City's receipt of the Proposition 52 funds is contingent on the City having the 25 percent local match available by March 31, 1991, and having the construction contracts signed by March 31, 1991.

In September of 1989, the Board of Supervisors passed a resolution (File 68-89-9) establishing the City's goals for using the City's \$22.5 million State allocation of Proposition 52 funds as follows:

<u>Expansion of Work Furlough Program</u>	\$11,330,000
Purchase and renovation of a building to expand the Work Furlough Program.	



<u>Long Term Medical - Psychiatric Facility</u>	\$3,750,000
Create a new long term medical/psychiatric facility as required by the Consent Decree.	
<u>Fire and Life Safety Improvements - Hall of Justice</u>	1,500,000
Renovations to improve fire and life safety conditions including the smoke removal system, shower replacement and remodeling the short term medical and pharmacy facilities.	
<u>Service Building and Life Safety Improvements San Bruno County Jail #3</u>	6,000,000
Construction of a services building to house a kitchen, power plant, and laundry plant. Improvements to the water, sewage and heating systems of the existing buildings.	
Total	\$22,580,000

In order to obtain the \$22,580,000 State allocation, Proposition 52 requires a local match of 25 percent, or approximately \$7,500,000, of which the Board of Supervisors has previously authorized an appropriation of \$2,179,000 for preliminary design and planning costs related to the Proposition 52 construction. The funding source for the balance of the match of approximately \$5,321,000 has yet to be identified. Based on the preliminary design and planning work that has been performed to date, the Sheriff's Department 1) has decided to combine into one new multi-purpose building the Work Furlough Program and Long Term Medical-Psychiatric Facility, 2) has decided to perform the Fire and Life Safety Improvements at the Hall of Justice as planned, and 3) has determined that the proposed Service Building and Life Safety Improvements for the San Bruno County Jail #3 are not feasible at this time.

The Sheriff's Department proposes to construct the new multi-purpose building on a site adjacent to the Hall of Justice, which currently contains basement level and surface parking for the Police, Sheriff and the Courts. During construction of the proposed new multi-purpose building, the existing parking spaces will need to be temporarily replaced. Additionally, although the proposed new multi-purpose building will contain some replacement parking, some parking will need to be replaced on a permanent basis.

The Sheriff's Department is now requesting the release of the reserved \$410,149 to be used for additional pre-construction contractual and City department services related to the new multi-purpose Work Furlough and Long Term Medical-Psychiatric Facility building, including the parking leases, and the Fire and Life Safety Improvements at the Hall of Justice, as follows:

Contractual Services

Construction Management consulting services during the design and bidding stages for the new multi-purpose Work Furlough and Long Term Medical-Psychiatric Facility building:

	<u>Hours</u>	<u>Rate</u> <u>(\$/hr)</u>	<u>Total</u>
Design Phase (5/90 - 1/91)			
Principal-In-Charge	80	\$130	no cost *
Project Manager	200	92	\$18,400
Scheduler	128	82	10,496
Estimators	480	85	40,800
Value Engineers	240	85	20,400
Secretary	160	33	5,280
Bid and Award Phase (1/91 - 3/91)			
Project Manager	84	92	7,728
Construction Manager	172	88	15,136
Secretary	40	33	1,320

Project Expenses 10,000

Subtotal Contractual Services (5/90 - 3/91) \$129,560

\* Estimated hours that the Principal-in-Charge would spend on the project, but would not be billed to the City.

City Services

Real Estate Department

Department service fees and leasing costs for three Caltrans lots and one private lot for the temporary replacement of parking at the Hall of Justice during the construction of the new multi-purpose Work Furlough and Long Term Medical-Psychiatric Facility building, and two Caltrans lots for long term replacement of

displaced parking spaces. Caltrans has agreed to a two-year lease for the three lots, with an option for a five-year lease. The Real Estate Department has not yet received a response from the private lot owner. The lease schedule is as follows:

	No. of <u>Stalls</u>	No. of <u>Sq.Ft.</u>	<u>Start</u> <u>Date</u>	<u>Monthly</u> <u>Rate</u>	<u>Annual</u> <u>Cost</u>
Caltrans Lots					
A	64	24,800	7/1/90	\$2,480	<u>\$29,760</u> *
* Rent for Lot A is to be funded by the Police Department, and therefore is excluded from the total requested by the Real Estate Department.					
B	112	29,250	9/1/90	2,925	35,100
C	113	31,300	10/1/90	3,130	37,560
Private Lot	44	14,800	8/1/90	3,700	<u>44,400</u>
Total Requested for Parking Lot Leases					\$117,060

In addition, the Real Estate Department is requesting a fee for its lease management services. 6,000

Total Real Estate Department Fees \$123,060

#### City Attorney

The City Attorney is requesting fees for services for the consent decree issues related to the Long Term Medical-Psychiatric Facility which have already been provided during FY 1989-90 and which are to be provided during FY 1990-91, as follows:

FY 1989-90  
291 hours @ an avg. of \$86/hour \$25,046

FY 1990-91  
1,395 hours @ an avg. of \$94.97/hour 132,483

Subtotal City Attorney Fees 157,529

Total Release of Reserved Funds \$410,149

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



**Comments:**

1. The Sheriff's Department plans to complete the pre-construction phase for the new multi-purpose Work Furlough and Long Term Medical-Psychiatric Facility building and for the Fire and Life Safety Improvements at the Hall of Justice by December, 1990 and to begin construction of these two Proposition 52 projects in March, 1991. As previously noted, the State requires that the construction contracts be signed by March 31, 1991.

2. According to Mr. Dick Rodriguez of the Real Estate Department, the Real Estate Department will be bidding for the Caltrans lots on a competitive basis during the first week of July, 1990, and therefore the City is not guaranteed of acquiring the lease of the property for the parking lots. In addition, Mr. Rodriguez indicates that the Real Estate Department will be meeting with the owner of the private lot during June, 1990 to negotiate the actual cost of the lease. Mr. Rodriguez states that the Real Estate Department would not require the funds totalling \$123,060 to be released for the parking lot leases and the Real Estate Department lease management services until the leases arrangements have finalized, which is estimated to be during the first week of July, 1990. Therefore, the funds totalling \$123,060 for the Real Estate should not be released at this time.

3. According to Lt. Michael La Vigne of the Sheriff's Department, a firm called Vanir CM was selected as the Construction Management Consultant for the design and bidding stages for the new multi-purpose building through a request for qualification process. The Bureau of Architecture reports that Vanir CM is not a certified MBE/WBE firm.

4. As noted earlier, the City Attorney is requesting \$25,046 for services provided during FY 1989-90, and therefore would be receiving payment on a retroactive basis for the services already provided. In further discussions with Lt. La Vigne regarding the actual services that have been provided during FY 1989-90 by the City Attorney, Lt. La Vigne requests that only \$25,046 be released for the City Attorney services at this time. Lt. La Vigne reports that the Sheriff's Department will pay for FY 1990-91 City Attorney services based on actual hours of services provided.

5. The \$410,149 was placed on reserve specifically for Facilities Maintenance on Capital Improvement Projects at the San Bruno Jail #3, which, as previously noted, the Sheriff's Department is no longer addressing with the Proposition 52 monies. Mr. John Madden has indicated that the Controller's Office would make the necessary adjustments to release the reserved funds to the proper accounts as authorized by the Finance Committee.

**Recommendation:** Based on Comments 2 and 4, release a total of \$154,606 for the contractual services with Vanir CM (\$129,560) and for the City Attorney services (\$25,046), but continue to reserve a total of \$255,543, \$123,060 for the Real Estate Department and \$132,483 for uses to be determined by the Sheriff's Department.

Items 2, 3 and 4 -Files 101-89-43, 102-89-15 and 64-90-9

**Department:** Superior Court and County Clerk

**Items:** Supplemental Appropriation Ordinance (File 101-89-43) to pay for personnel and operating costs necessary to establish two Superior Court courtrooms outside of City Hall.

Annual Salary Ordinance Amendment (File 102-89-15) to create five new positions of support staff for the proposed two new courtrooms for the Superior Court.

Resolution (File 64-90-9) to authorize lease of real property at 555 Polk Street for Superior Court.

**Amount:** \$790,923 (File 101-89-43)

**Location:** 555 Polk Street

**Purpose of Lease:** Obtain a three-month lease to provide sufficient time to determine the costs for the City to renovate space for additional courtrooms for the Superior Court.

**Lessor:** Charter Properties

**No. of Sq. Ft. and Cost/Month:** 9,900 sq. ft. @ \$0.875 /sq.ft./month = \$8,667 rent/month or \$26,001 for three months.

**Term of Lease:** Three months beginning May 29, 1990 or thereafter upon adoption of the subject legislation.

**Source of Funds:** General Fund-General Reserve

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**Description:**

In October of 1989, the Finance Committee continued to the call of the Chair a proposed Supplemental Appropriation Ordinance (File 101-89-43) for \$790,923 and an Annual Salary Ordinance Amendment (File 102-89-15) related to the expansion of the Superior Court. The expansion would include two additional courtrooms needed to process a substantial increase in the backlog of civil cases, primarily as the result of new asbestos cases and previous asbestos cases that must be reheard. The proposed Supplemental Appropriation (File 101-89-43) totaling \$790,923 would fund five new permanent positions, two Visiting Judges, and operating costs from October 16, 1989, through June 30, 1990, (8 1/2 months), and would also fund one-time equipment and remodeling costs. The proposed Ordinance (File 102-89-15) to amend the 1989-90 Annual Salary Ordinance would create five new permanent positions to be classified at a future meeting of the Civil Service Commission.

The proposed legislation was continued by the Finance Committee to the call of the Chair until the Superior Court and the Real Estate Department could develop a specific proposal in conjunction with finding a suitable location for the additional courtroom space. Based on a search of available space within the proximity of City Hall, the Real Estate Department and the Superior Court have proposed the use of the ground level space (9,900 sq. ft.) of an office building located at 555 Polk Street at its intersection with Turk Street (southwest corner) for the development of three courtrooms and offices. Approval of the proposed lease (File 64-90-9) would allow the City to tie up this leased space for three months in order to provide time to determine the costs for the City to renovate this space for additional courtrooms and then to negotiate a long-term lease for the renovated space.

The Superior Court has requested that only \$26,001 be approved at this time, for three months of rent, and that the source of funds for the \$26,001 be changed to the Temporary Courthouse Construction Fund from the General Fund - General Reserve. The balance of funds, amounting to \$764,922 (\$790,923 less \$26,001), should be deleted at this time from the proposed legislation.

**Comments:**

1. Mr. Don Dickinson, County Clerk, advises that the remaining \$764,922 will be requested partially in the Superior Court's 1990-91 budget and partially in another supplemental appropriation ordinance request to provide for the needed staffing and related costs to operate three new courtrooms (in lieu of the originally proposed two new courtrooms) in the leased space at 555 Polk Street.
2. The Controller's Office advises that a balance of \$3,105,087 remains unappropriated in the Temporary Courthouse Construction Fund as of April 1990.
3. The proposed Supplemental Appropriation (File 101-89-43) should be amended to reduce the amount by \$764,922 from \$790,923 to \$26,001 and to change the source of funds from the General Fund - General Reserve to the Temporary Courthouse Construction Fund.
4. The proposed Amendment to the Annual Salary Ordinance (File 102-89-15) should be tabled at this time.

- Recommendations:**
1. Approval of the proposed three-month lease to provide sufficient time to develop the plans and related costs of renovating leased space to provide three new courtrooms for the Superior Court is a policy matter for the Board of Supervisors.
  2. Should the Board of Supervisors concur with this request of the Superior Court, the proposed legislation should be amended by (a) deleting \$764,922 for all line items in this request (101-89-43) except for \$26,001 for Rental of Property and changing the source of funds from the General Fund-General Reserve to the Temporary Courthouse Construction Fund and (b) tabling the amendment to the Annual Salary Ordinance (102-89-15). Additionally the lease for three months of rent at 555 Polk Street should be approved (64-90-9).





Item 5 - File 101-89-131

**Department:** Controller - Financial Services Division

**Item:** Supplemental Appropriation Ordinance

**Amount:** \$142,000

**Source of Funds:** FY 1989-90 Surplus Salary Savings

**Description:** The proposed Supplemental Appropriation Ordinance would fund the one-time purchase of \$142,000 in computer software as part of the Controller's Three Year Plan to upgrade its existing accounting and financial reporting systems, and as part of the Financial Services Division's plan to establish a local area network (LAN) of personal computers in the Division. (LAN is a system that links personal computers and allows the users of the personal computers to share information and software.) The proposed purchase of software includes \$101,550 for Oracle software, which is a relational database system for accounting, financial reporting and other uses, and \$40,450 for additional general purpose software for the Controller's Financial Services Division's personal computers (PCs).

The Electronic Information Processing Steering Committee (EIPSC) has recently completed an extensive evaluation of a major data collection and processing software package that EIPSC has determined can benefit departments City-wide. As a result of this evaluation, EIPSC has selected the software package, Oracle, as the City standard for new data collection and processing applications. On May 16, 1990, the Finance Committee approved a \$1.1 million Supplemental Appropriation Ordinance (File 101-89-130) for the Controller to purchase a package of Oracle software (\$1.0 million) and to create one position in the Controller's Office to support the new software and to provide funding for other computer support services and hardware (\$0.1 million), which the Board of Supervisors is currently considering.

The Controller's Office, in conjunction with EIPSC, have worked extensively with City departments and the Oracle Corporation to negotiate a favorable price for the purchase of a package of Oracle software, training services and consulting services from the the Oracle Corporation. The Controller's Office has proposed to fund the upfront costs of purchasing the Oracle software package which would be used by a number of City departments. User departments would then reimburse the Controller's Office by purchasing the Oracle software from

the Controller's Office over the next three years (FY 1989-90 to 1991-92) with funds that have been appropriated within their baseline budgets.

The proposed supplemental appropriation would fund the purchase of the Financial Services Division's share of the Oracle software from the Controller's Office and additional general-purpose software, as follows:

	<u>Qty</u>	<u>Price Per Unit</u>	<u>Total Cost</u>
Oracle Software			
Wang VS 10,000 Minicomputer copy	1	\$78,650	\$78,650
Stand alone PC copies	2	450	900
PC server copies	3	850	2,550
PC client copies	70	225	15,750
Set of CASE tools	1	3,700	<u>3,700</u>
Subtotal Oracle Software			\$101,550
General Purpose Software			40,450

The Controller's Office has prepared a description and budget for the proposed general purpose software totalling \$41,171, which is attached. Mr. Chris Baldo of the Controller's Office states that the difference of \$721 between the proposed cost of \$41,171 and the requested funds of \$40,450 will be funded within the Controller's existing budget.

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Total Supplemental Appropriation	\$142,000
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**Comments:**

1. According to the Controller's Office, the acquisition of Oracle software, which is a relational database software, would provide department managers with a more productive and straightforward means of analyzing data regarding program services, budgets, job scheduling and other areas and a more efficient means of generating financial and other reports. Additionally, the user departments would be able to share the database systems, and the City would be able to use Oracle on any of the types of computers that the City currently uses, in contrast with FAMIS, which may only be used on the Wang VS Minicomputers.

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2. Mr. Baldo indicates that the Financial Services Division's (FSD's) move to use the local area network system, rather than the existing minicomputer and mainframe systems, will provide FSD with hardware and software that is less expensive and more flexible than minicomputers and mainframes. Mr. Baldo states that the proposed general purpose software would enable FSD to increase its professional productivity. According to Mr. Baldo, the FSD has purchased personal computers for their LAN with funds from their existing FY 1989-90 budget.

3. The EIPSC has approved the FSD's purchase of LAN hardware and the proposed purchase of the Oracle and general purpose software.

**Recommendation:** Approve the proposed Supplemental Appropriation Ordinance.

CONTROLLER'S FINANCIAL SERVICES  
SOFTWARE REQUIREMENTS

	VERSION	QTY	PRICE	TOTAL
HP NEWWAVE/CLEARVIEW		40	195.00	7,800.00
MICROSOFT WINDOWS 286		40	99.00	3,960.00
LOTUS 123 NETWPRK		1	599.00	599.00
LOTUS 123 NODES		5	398.00	1,990.00
Q & A SINGLE		1	244.00	244.00
Q & A LAN (3 USERS)		4	320.00	1,280.00
DBASE III PLUS SINGLE		1	469.00	469.00
DBASE III PLUS LAN (5)		1	795.00	795.00
PARADOX SINGLE 3.0		1	464.00	464.00
PARADOX LAN (5)		5	795.00	3,975.00
QUATRO PRO SINGLE		1	224.00	224.00
QUATTRO PRO LAN PACK		10	224.00	2,224.00
WORDPERFECT SINGLE 5.1		1	259.00	259.00
WORDPERFECT LAN NODE		30	199.00	5,970.00
DRAWPERFECT		1	369.00	369.00
DRAWPERFECT LAN NODE		5	211.00	1,055.00
MICROGRAFX GRAPH PLUS LAN PACK		1	667.00	667.00
MICROGRAFX GRAPH PLUS STN PACK		3	220.00	660.00
CLIP ARTS		3	237.00	711.00
PERFORM FILLER LAN PACK		1	381.00	381.00
TRACKER MOUSE		40	152.00	6,080.00
WANG LAN OFFICE (E-MAIL)		1	995.00	995.00
TOTAL				<u>41,171.00</u>

Item 6 - File 101-89-132

**Department:** Fire Department

**Item:** Supplemental appropriation of Other Departments for Central Shops, Automotive Repairs in fiscal year 1989-90.

**Amount:** \$196,104

**Source of Funds:** Public Safety Reserve

**Description:** The proposed supplemental appropriation of \$196,104, to be funded through the Public Safety Reserve, would reimburse the Central Shops for costs incurred for repairs to six of the Fire Department's aerial ladders. During the 1989-90 budget process, the Board of Supervisors established a Public Safety Reserve of \$3.6 million.

**Comments:**

1. According to Assistant Chief Jim Lynch of the Fire Department, during the preparation of the fiscal year 1989-90 budget, the Department knew that there were problems with the Department's aerial ladders. However, because the aerial ladders had not been systematically tested, the extent of the problem was not known. As a result, no funds were included in the Fire Department's 1989-90 budget for such repairs.
2. The 1989-90 budget for the Fire Department however, did include \$13,300 of funds for testing the Fire Department's 18 aerial ladders. The National Fire Protection Association has developed standards and specifications for aerial ladders and other firefighting equipment. During the past year, the Fire Department contracted with Diversified Inspection Services at a cost of approximately \$500 per aerial ladder to inspect the City's 18 aerial ladder trucks. Each inspection includes an annual certification for each aerial ladder.

3. According to Assistant Chief Lynch, on aerial ladder trucks that are working, the staffing complement includes one Officer and four Firefighters. However, if there is no aerial ladder, a 50 foot hand held ladder is required, and the staffing complement requires one Officer and five Firefighters, or one more Firefighter than is required on the working aerial ladder trucks. The additional Firefighter on these aerial trucks is paid overtime and costs the Fire Department approximately \$593 per day. According to Mr. Raymond Connors, the Secretary to the Fire Commission, between August 1, 1989 and April 30, 1990, a period of nine months, a total of approximately \$400,000 has been expended in overtime costs for these additional Firefighters due to defective aerial ladders. The Fire Department has submitted a supplemental appropriation request for approximately \$2.5 million of overtime expenditures that have exceeded their budgeted costs, which includes the approximately \$400,000 of costs already incurred due to the defective aerial ladders. This \$2.5 million supplemental appropriation ordinance is scheduled to be heard by the Finance Committee on May 30, 1990.

4. Mr. Jim Johnson, Assistant Superintendent of Central Shops, provided the following information regarding the 1989-90 costs for the aerial ladder repairs, as of May 16, 1990:

1 - Truck #145-627	\$27,508
Supplement	6,647
2 - Truck #145-671	28,462
3 - Truck #145-626	27,221
4 - Truck #145-670	21,468
5 - Truck #145-673	25,819
6 - Truck #145-669	29,406
7 - Truck #145-675	<u>30,631</u>
Total	\$197,162

As reflected above, as of May 16, 1990, Central Shops had authorized seven of the Fire Department's aerial ladders to be repaired at a total cost of \$197,162, or an average cost per aerial ladder of \$28,166. However, the proposed supplemental appropriation is to repair six aerial ladders for a total of \$196,104, or one aerial ladder and \$1,058 less than the seven aerial ladders and \$197,162 of costs reflected above.

5. Based on discussions with Mr. Dave Cowley, Superintendent of Central Shops, the difference in the number and costs is because when the supplemental appropriation request was submitted it was for six aerial ladders at a slightly inflated estimate of the costs. Since that time, an additional aerial ladder (Truck #145-675) was found to have problems and needed repairs.

6. As reflected in the following analysis, the Fire Department's 1989-90 budget for Central Shop's maintenance and repair is \$1,839,532. Mr. Cowley reports that through May 15, 1990, a total of \$1,759,968 was expended for the Fire Department, leaving a remaining balance of \$79,564. The expenditures incurred through May 15, 1990 include the costs for the repairs of the first four aerial ladders, totalling \$111,306. The costs for the remaining three aerial ladders will cost \$85,856. Mr. Cowley also indicates that the maintenance and repair expenditures for the Fire Department average approximately \$150,000 per month, or a total of approximately \$225,000 for the remainder of the fiscal year. As shown below, even if the proposed supplemental appropriation for \$196,104 is approved, the Department is projected to end the fiscal year with a budgetary shortfall of approximately \$35,188.

1989-90 Maintenance and Repair Budget	\$1,839,532
Expenditures through May 15, 1990 (Includes \$111,306 for repairs to 4 aerial ladders)	<u>1,759,968</u>
Remaining Budgeted Funds	\$79,564
Additional Repair Costs for 3 Aerial Ladders	85,856
Estimated Amount Needed for Maintenance and Repairs between May 15 and June 30, 1990	<u>225,000</u>
Total Funds Needed	<u>310,856</u>
Estimated Shortfall	\$231,292
Proposed Supplemental Appropriation (Subject of the Proposed Item)	<u>196,104</u>
Remaining Shortfall	\$35,188

7. Mr. Cowley reports that Central Shops will carefully monitor their expenditures for maintenance and repairs for the Fire Department during the remainder of the fiscal year to attempt to preclude the projected remaining shortfall in their budget.

8. Assistant Chief Lynch reports that \$6,141 is proposed to be included in the Fire Department's 1990-91 budget for ongoing testing of the aerial ladders. In addition, Assistant Chief Lynch reports that the Fire Department will be receiving an additional four new aerial ladders (previously budgeted) during the Summer of 1990, which should alleviate some of the problems which the Department has been experiencing this past year with their older equipment. In 1990-91, any additional costs for repairs to the aerial ladders are to be funded through the Fire Department's regular maintenance and repair budget.

**Recommendation:**

Approve the proposed supplemental appropriation.



Item 7 - File 101-89-135.1

**Department:** Department of Social Services

**Item:** Supplemental Appropriation for adoption aid and foster care, Department of Social Services for Fiscal Year 1989-90. The proposed legislation also provides for ratification of action previously taken.

**Amount:** \$2,600,000. This includes \$2,500,000 for Foster Care and \$100,000 for Aid for Adoption of Children.

<b>Source of Funds:</b>	\$200,000	General Fund General Reserves
	100,000	Aid for Adoption of Children (State)
	1,610,000	AFDC-Foster Care funds (State)
	<u>690,000</u>	AFDC-Foster Care funds (federal)
	\$2,600,000	

**Description:** Estimates by the DSS, Mayor's Office, and the Controller indicate that the Department will overspend its appropriations for AFDC-Foster Care and for Adoption Aid. The proposed supplemental appropriation would provide an additional \$2,500,000, including \$200,000 in General Fund monies, for AFDC-Foster Care, and \$100,000 for Adoption Aid.

**Comments:** 1. The Budget Analyst has reviewed the caseload and cost projections for foster care, as provided by the DSS. Based on current rates of expense and caseload trends, this supplemental appropriation request to fund a budget deficiency is justified.

2. The cost of foster care is shared by the State, Federal, and local governments. The City's share is currently 8 percent. Normally, the local share (or net General Fund costs) of the Foster Care program is intended to be approximately 5.4 percent, or 2.6 percent less than the actual 8 percent that the City is paying. This local "overmatch" of State and Federal funds costs the City's General Fund approximately \$904,280, annually. The proposed supplemental appropriation includes \$200,000 in local funds, or approximately \$65,000 more than would be needed from local sources if the City's costs were within State guidelines. DSS reports that the State does not approve payment of foster care funds for a portion of the foster care

cases, and as such, these cases are paid with County funds only. Examples of cases where foster care expenditures are the sole responsibility of the County include foster care expenditures for children of illegal aliens, or court-ordered placement with relatives that are ineligible for foster care funding. This accounts for the City's overmatched funds. However, the Budget Analyst notes that DSS has succeeded in reducing the local matching rate from 12 percent in FY 1987-88, to 10 percent in FY1988-89 and 8 percent in FY 1989-90.

3. Ms. Ann O'Rielly of DSS reports that 40 percent of all San Francisco DSS Foster Care placements are made outside of San Francisco County. However, DSS has found that 40 percent of all foster children are placed with relatives where possible (required by law), and in many instances, relatives of children live outside of the County. Ms O'Rielly further reports that any placement made out-of-County requires documentation justifying the decision for out-of-county placement. DSS has submitted a letter to the Finance Committee describing other aspects of the Foster Care and Adoption Aid programs.

**Recommendation:** Approve the proposed ordinance.



Item 8 - File 101-89-140

**Department:** Department of Social Services (DSS)

**Item:** The proposed supplemental appropriation is for professional services, special services and data/word processing professional services, and provides for ratification of action previously taken.

**Amount:** \$582,088

**Source of Funds:** Federal funds from Family Support Act of 1988

**Description:** The proposed supplemental legislation would appropriate funds allocated through the State of California, from the Federal government. These funds became available from the passage of the Family Support Act of 1988. The Family Support Act of 1988 created the JOBS Program, which requires that any family on AFDC, with children three years or older, participate in the State's Greater Avenues to Independence Program (GAIN). This requirement is in contrast to the original requirement in the State GAIN legislation, which specified families with children six years or older. JOBS also requires that childcare services be given to families with children 13 years or younger, while the original GAIN legislation specified 12 years or younger. These two JOBS requirements have resulted in greater than anticipated program expenditures on childcare by DSS.

DSS has received an allocation of \$582,088 from the Federal government to implement the JOBS program and proposes the following program expenditures:

Childcare contract (existing)	\$484,579
Contractor overhead	32,298
Professional Service Contracts related to implementation of GAIN management information system	60,000
Department overhead according to formula (predetermined allowance by State)	<u>5,211</u>
Total	\$582,088

DSS currently maintains a contract for childcare with the Children's Council of San Francisco. Under the contract, the Children's Council administers subcontracts with childcare facilities, and is responsible for placing children of DSS GAIN clients in these childcare facilities. The \$484,579 budgeted would supplement the existing contract and fund childcare services through the end of FY 1989-90. The \$32,298 allocated to contractor overhead will fund an additional full-time-equivalent contractor position in staff hours to administer the increased childcare caseload, including hours for a childcare counselor, payment clerk, and the services of the Children's Council's Controller. Ms. Karen Pierce of the DSS GAIN program reports that the \$32,298 amount budgeted was negotiated with the Children's Council and falls within State guidelines, which limit contractor overhead to not more than 25 percent of the total cost of the contract.

DSS has budgeted \$60,000 for programming requirements related to the implementation of the GAIN automated management information system, mandated by the State as part of the GAIN program. However, Ms. Pierce reports that the Department has identified existing staff resources that can perform the needed work (See Comment No. 3 below).

The remaining \$5,211 is the amount allowable for DSS administrative overhead, which the State has pre-determined by formula.

**Comments:**

1. Ms. Pierce advises that the amount of \$582,088 is a one-time allocation from the Federal government, and does not require any local funding. However, because the allocation of \$582,088 is a one-time appropriation, the continuation of Federal funding for expanded childcare services and for data processing professional services will not be available for FY 1990-91. Furthermore, according to Ms. Pierce, the State GAIN allocation will be decreased by 8 percent in FY 1990-91, which will require that expenditures on childcare be reduced accordingly.

2. Under the contract, DSS requires that the Children's Council of San Francisco place all eligible children of GAIN participants referred by DSS into a childcare program. DSS pays the Children's Council on a monthly basis to accept these children. Payments are based on weekly rates that vary according to the age of the child. Such weekly rates range from \$86.88 per week for a child age 6 years or older to \$157.44 per week for an infant under two years of age. The State DSS must approve all childcare payment rates. According to Ms. Pierce, childcare expenditures have increased from approximately \$40,000 per month in June of 1989 to \$130,000 per month in April of 1990, due to the increased requirements from the implementation of the JOBS program. DSS expects that childcare costs will continue to increase through the end of the year. From July of 1989 through March of 1990, the Children's Council has provided childcare to 2,233 children at a cost of \$711,650. The \$484,579 for the childcare contract would allow the GAIN program to provide childcare services through the end of the fiscal year.

3. The \$60,000 budgeted for data processing and programming is no longer needed due to the identification of in-house staff resources. DSS currently has no definite plans for using the money for another purpose. However, according to Ms. Pierce, the Department has cited a potential need to purchase additional consulting hours from an existing contractor related to the maintenance of computer hardware and software for the GAIN management information system. These maintenance costs have not been included in the GAIN program's existing budget. Since these maintenance costs are potential costs and the Department may not need the \$60,000 through the end of the fiscal year, the Budget Analyst recommends that these funds be reserved, pending a full accounting of how these funds would be used.

**Recommendation:** Amend the proposed Supplemental Appropriation Ordinance and reserve the amount of \$60,000 pending a full accounting of how the \$60,000 in funds would be used by DSS. Approve the Ordinance as amended.



Item 9 - File 62-90-2

**Department:** Recreation and Park Department (RPD)

**Item:** Ordinance approving a five-year lease of City property

**Location of Property:** Camp Mather

**Purpose of Lease:** Operation of professional saddle horse and wagon ride concession at Camp Mather.

**Lessee:** Mather Saddle and Pack Station (Jay Barnes)

**Term of Lease:** Five years, commencing the date that the proposed lease is executed. The concession would be operated during the months of June through August of each year.

**Annual Rent:** Minimum of \$100 per year, plus additional \$400 per year if the Mather Saddle and Pack Station's gross receipts exceed \$35,000 in any given year.

**Additional Requirements:** The lessee would maintain a comprehensive general liability insurance policy of \$1,000,000, or if that amount is not available, \$500,000 to cover the operation of the concession. The lessee would pay in advance the total insurance premium cost of up to \$12,000, and the City would reimburse the lessee for 75 percent of the insurance premium cost, up to \$9,000. If the insurance premium exceeds \$12,000, the terms for payment of the premium would be renegotiated.

Late payment of rent would be subject to a five percent penalty fee and interest of one percent per month on the amount due to the City. The lessee would be required to pay a (refundable) security deposit of \$3,000 as a guarantee for the fulfillment of the provisions of the proposed lease agreement.

The City would pay for all utilities, except telephone. The rates and charges for saddle horse rental and wagon rides offered by the lessee would be subject to approval by the Recreation and Park Commission (the Lessor).

**Comments:** 1. Historically, the saddle horse and wagon ride concession at Camp Mather has been a one-year agreement, which was renewed annually, with the Barnes family. The RPD considers the saddle horse concession at Camp Mather to be a public service to the campers. Therefore, prior to 1986,

agreements with the lessee during the last forty years have required nominal rent from the lessee. Under the rental agreement for the summer 1985, for example, Mr. Barnes was required to pay RPD a rental of one percent of the lessee's gross receipts, which totalled \$20,720 for the 1985 season. Accordingly, Mr. Barnes paid \$207 in rent in 1985. From 1986 through 1989, agreements between the City and the lessee have waived the rent payment.

This year, however, the Recreation and Park Commission issued requests for proposals for a five-year lease of the Camp Mather property for the saddle horse and wagon ride concession. The RPD has selected Mr. Jay Barnes as the highest of two bidders.

2. In 1989, Mr. Barnes reports gross receipts totalling \$33,885 from the operation of the saddle horse and wagon ride concession at Camp Mather.

**Recommendation:** Approve the proposed ordinance.



Item 10 - File 65-90-1

**Departments:** San Francisco General Hospital (SFGH) and Real Estate Department

**Item:** Ordinance authorizing a new 10-year rental agreement between the City and the University of California, San Francisco (UCSF).

**Location:** SFGH Building 100, First Floor

**Purpose of Lease:** Laboratories and offices to conduct medical research, related teaching and administration.

**Lessee:** Regents of the University of California

**No. of Sq. Ft. and Rent/Month:** 3,522 sq.ft. @ \$0.47/sq.ft./mo. = \$1,655.34/mo.

**Annual Rent:** \$19,864.08. The rent would be adjusted annually according to a cost of living index, and re-established on July 1, 1992 and every five years after July 1, 1992, for the term of the lease agreement.

**% Increase over 1988-89:** Not applicable.

**Utilities and Janitor**

**Provided by Lessee:** Lessee would pay for janitorial services. Lessee would reimburse the City for utilities and other services for its share of utilities and other services with the charge not to exceed \$968.55 per month during the first six months or from the time UCSF receives possession until occupancy has taken place. After this period, the lessee would reimburse the City at a rate of \$1,937.10 per month, to be adjusted as the costs for utilities and services increase.

**Term of Lease:** Ten years, commencing on the date that UCSF receives possession of the space.

**Right of Renewal:** The Lessee would have two 5-year renewal options.

**Comments:**

1. The Department of Public Health is proposing to provide for the expansion of cooperative efforts between UCSF and the City by leasing space in SFGH to provide UCSF with established laboratories and offices to conduct research on a continual basis. The University would bear all the cost of renovating the space to provide the specified research facilities and would be responsible for providing their own staffing, equipment and materials.

2. The DPH estimates that the total cost of the UCSF renovations would be approximately \$50,000 to \$100,000, and may include new laboratory counters, flooring, paint and improvements to the ventilation system. Improvements made to the leased space would become the property of the City upon termination of the lease. According to SFGH, UCSF currently leases a total of 45,859 square feet at SFGH for a total annual cost to UCSF of \$447,104, which includes rent and utilities.

3. According to Ms. Kathy Murphy of SFGH, the space to be leased is currently an old clinical laboratory which is largely vacant. Ms. Murphy reports that the few SFGH staff that remain in the laboratories are being moved to other existing laboratories in SFGH.

4. Mr. Robert Haslam of the Real Estate Department reports that the proposed rent of \$0.47/square foot/month represents fair market value for this type of space.

**Recommendation:** Approve the proposed ordinance.



Item 11 - File 97-90-22

- Department:** Animal Care and Control Department
- Item:** Ordinance amending the Administrative Code, Chapter 10, Article XV, Section 10.169.7 to increase the amount of the Revolving Fund from \$2,000 to \$5,000; amending Section 10.117-87 to provide that funds be appropriated to the Department; and amending Section 10.88 to add employees of the Animal Care and Control Department.
- Description:** The City's Animal Care and Control Department was initiated on July 1, 1989. The proposed ordinance would amend specific sections of the Administrative Code relating to the Animal Care and Control Department.
- Under the proposed ordinance, the Cash Revolving Fund for the Animal Care and Control Department would be increased by \$3,000 from the current \$2,000 to \$5,000. The Cash Revolving Fund is used for miscellaneous immediate expenditures and for reimbursement of the spay/neuter deposit funds.
- The proposed ordinance would insure that all donations to the Animal Control and Welfare Fund be appropriated to the Animal Care and Control Department to be used solely for the care and welfare of impounded animals. In addition, according to the proposed ordinance, the monies in the Animal Care and Control Welfare Fund, "with the exception of donations" shall be expended in accordance with the budgetary and fiscal provisions of the City's Charter, solely for the purpose of defraying the cost of operating the Animal Care and Control Department, exclusive of personnel costs. The Animal Control and Welfare Fund is a special fund established for the purpose of receiving fees and donations for the sale, redemption or surrender of impounded animals and all fees collected by the Tax Collector for dog licenses, dog kennel licenses, cat registrations and business licenses pursuant to Section 215, 220 and 221 of Part III of the San Francisco Municipal Code.
- The proposed ordinance would also add the employees of the Animal Care and Control Department to the list of employees from other City departments that can submit deposits to the Treasurer that contain cash deficits or overages.

**Comments:**

1. Mr. Carl Friedman of the Animal Care and Control Department reports that the Cash Revolving Fund needs to be increased because when a person adopts an animal, in accordance with State law, the person must leave a \$20 spay/neuter deposit with the Animal Care and Control Department. These funds are deposited into a separate subobject within the Animal Welfare and Control Fund. When the person who adopted the animal brings a certificate of proof from a veterinarian that the animal has been spayed/neutered, then the \$20 deposit is returned to the individual. These reimbursements are presently being made from the Department's Cash Revolving Fund.

2. The Controller's Office replenishes the Cash Revolving Fund from existing budgeted funds from the Animal Care and Control Department, as specific expenditures are reported by the Department to the Controller's Office. According to Mr. Friedman, there are insufficient available funds to reimburse persons for these spay/neuter fees, without constantly replenishing the Cash Revolving Fund. Mr. Friedman reports that approximately 487 of \$20 spay/neuter certificates have been reimbursed thus far this year, for a total of \$9,740.

3. According to Mr. Madden, of the Controller's Office, the proposed ordinance to increase the Department's Cash Revolving Fund requires a companion supplemental appropriation ordinance to increase the Fund by \$3,000 from \$2,000 to \$5,000. Once the Fund is increased to \$5,000, the Controller could then continue to replenish the Cash Revolving Fund, as reimbursements or other expenditures are reported by the Department to the Controller's Office. Based on discussions with the Controller's Office, there is no supplemental appropriation ordinance to accompany the proposed ordinance.

4. The proposed ordinance would also exempt donations from being regulated by the budgetary and fiscal provisions of the Charter, and would appropriate all such donations to the Animal Care and Control Department to be used solely for the care and welfare of impounded animals. However, Section 10.116 of the City's Administrative Code specifically allows any City department to accept any donation of funds or goods less than \$5,000 to be used for the benefit of the Department and for such purposes within its prescribed legal jurisdiction as may be specified by the donors. If an

individual donation is greater than \$5,000, it requires the approval of the Board of Supervisors. According to Mr. Madden, given the existing City Administrative Code provisions, it appears unnecessary to add the proposed legislation to specifically apply to the Animal Control and Welfare Department. The proposed legislation also does not include a maximum donation of \$5,000, without authorization of the Board of Supervisors, a provision which applies to other City departments.

6. Through March 31, 1990, \$22,155 of donations were contributed to the Animal Control and Welfare Fund. Mr. Friedman reports that most of these donations are received in small denominations and that the Department received a large portion of the donations in October, 1989, immediately after the October 17, 1989 earthquake. According to Mr. Friedman, the existing Administrative Code provisions which include a maximum donation of \$5,000 without authorization of the Board of Supervisors should not be a problem for the Department.

7. The third major provision of the proposed legislation would amend Article 13, Section 10.88 of the Administrative Code in order to add the employees of the Animal Care and Control Department to the list of departments that can submit deposits to the Treasurer that contain cash deficits or overages. Presently, the Animal Care and Control Department must submit the exact amount of cash to tie with the reported fees, licenses and deposits reported. If there is a shortage or overage of cash to the reported deposited amount, the cash difference must be made up by the Department or individual staff involved. The proposed amendment to the Administrative Code would enable the Treasurer to provide the amount of funds required to eliminate the cash deficit from the City's Cash Difference Fund or to immediately deposit any cash overage into the City's Cash Overage Fund.

8. Employees of other City departments that are included under Section 13, Article 10.88 are the Treasurer's Office, Tax Collector's Office, Redemption Officer, Municipal Court, Police Department, Public Health - Bureau of Accounts and Superior Court. The Treasurer is required to file a monthly statement with the Board of Supervisors and the Controller itemizing each deficit and overage. The Treasurer, "for good reason", may also disallow deficits reported by a department.

9. There are also several clerical errors and changes to be made to include the correct Article references in the proposed legislation. The Clerk of the Finance Committee reports that an Amendment of the Whole will be introduced at the Finance Committee meeting on March 23, 1990 which includes the appropriate changes.

**Recommendations:**

1. Approve the proposed Amendment of the Whole to clarify the clerical and other Article references.

2. In order to implement the following recommendations, sever the proposed ordinance into three sections, separating:

- (1) Chapter 10, Article XV, Section 10.169-7,
- (2) Article XIII, Section 10.117-87 and
- (3) Article XIII, Section 10.88.

3. Continue Chapter 10, Article XV, Section 10.169-7 concerning the increase in the Cash Revolving Fund, pending the preparation of the necessary companion supplemental appropriation ordinance.

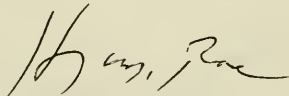
4. Table Article XIII, Section 10.117-87 concerning appropriation of donations to the Animal Care and Control Department to be used solely for the care and welfare of impounded animals.

5. Approve Article XIII, Section 10.88 concerning the addition of employees of the Animal Care and Control Department for submittal of cash deficits or overages to the City Treasurer.

Memo to Finance Committee  
May 23, 1990

Item 12 - File 12-90-19

This item is a hearing to consider the Budget Analyst's cost analysis report of State Proposition 115 entitled: Crime Victims' Reform Act and commonly known as the Speedy Trial Initiative. Refer to the Budget Analyst's report of May 14, 1990 which was previously submitted to the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey





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CALENDAR - ACTIONS TAKEN  
MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

JUL 1 - 1990

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WEDNESDAY, MAY 30, 1990 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

ABSENT: SUPERVISOR WALKER

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - a) File 28-90-9. [Emergency Work] Resolution authorizing the San Francisco Fire Department to take necessary measures to protect the health, welfare and property of the citizens of San Francisco by performing the necessary work by removing two skywalks located above Fire Station #1, 416 Jessie Street due to their potential collapse hazard. (Fire Department)
  - b) File 31-90-5. [Employee Replacement] Resolution approving immediate filling of a vacated position of 1654 Principal Accountant, Treasurer-Tax Collector, Treasury Division. (Treasurer-Tax Collector)
  - c) File 38-90-5. [Acceptance of Gift] Resolution authorizing the San Francisco Police Department to accept the gift of a 1989 Ford Clubwagon, valued at \$14,732.00. (Police Commission)
  - d) File 64-90-11. [Lease of Property] Resolution authorizing lease of real property at 1625 Van Ness Avenue for the Department of Social Services, Child Welfare Division. (Real Estate Department)

- e) File 100-89-1.18. [Release of Funds] Requesting release of reserved funds, Residential Rent Stabilization and Arbitration Board, Equipment Lease/Purchase Account, in an amount totalling \$7,100, (\$1,750 to purchase three computer terminals, \$2,000 to cover cost of installing a new counter and swinging door, and \$3,350 to purchase four conference tables, two conference chairs and twenty additional chairs for hearing room). (Rent Stabilization & Arbitration Board)
- f) File 101-89-101.1. [Release of Funds] Requesting release of reserved funds, Department of Public Works, in the amount of \$358,000, for Earthquake Safety Program, Phase I projects. (Department of Public Works)
- g) File 153-90-1.2. [Release of Funds] Requesting release of reserved funds, Department of Social Services, in the amount of \$1,264,243, for operation of two multiservice centers for the homeless, shelter equipment, and administration of the State Natural Disaster Emergency Shelter Program (NDESP) for people made homeless by the earthquake. (Department of Social Services)
- h) File 146-90-33. [Grant - State Funds] Resolution authorizing the Department of Public Health, Community Public Health Services WIC Program to apply for, accept and expend a grant of \$975,316 from the State Department of Health Services for nutrition education and supplemental food for Fiscal Year 1990-91. (Mayor)
- i) File 101-89-104.2. Requesting release of reserved funds, Office of the Registrar of Voters, in the amount of \$4,850, for verification of 55,000 additional signatures on statewide initiative petitions. (Registrar of Voters)

ACTION: ITEMS 1e, 1f, 1g, and 1i SEVERED. REMAINDER OF CONSENT CALENDAR RECOMMENDED.

ITEM 1e, File 100-89-1.18. HEARING HELD. RELEASE OF \$2,884 RECOMMENDED. FILED.

ITEM 1f, File 101-89-101.1. RELEASE OF \$358,000 RECOMMENDED. FILED.

ITEM 1g, File 153-90-1.2. HEARING HELD. RELEASE OF \$1,249,243 RECOMMENDED. FILED.

ITEM 1i, File 101-89-104.2. RELEASE OF \$4,850 RECOMMENDED. FILED.

#### REGULAR CALENDAR

- 2. File 65-90-1. [Lease of Medical Research Site] Ordinance authorizing and approving lease of a portion of the First Floor Building 100 at San Francisco General Hospital to the Regents of the University of California. (Real Estate Department)

(Continued from 5/23/90.)

ACTION: RECOMMENDED.



3. File 146-90-34. [Grant - State] Resolution authorizing the Department of Public Health, Community Public Health, Bureau of Health Promotion and Education to apply for, accept and expend a grant of \$1,603,952 from the State Department of Health Services for Phase I and Phase II of the Tobacco Control Plan. (Supervisor Walker)

ACTION: RECOMMENDED.

4. File 221-90-1. [Phase I and II Tobacco Control Plan and Budget] Resolution authorizing adoption of the Phase I and II (Preliminary) Tobacco Control Plan and Budget. (Supervisor Walker)

ACTION: RECOMMENDED.

5. File 101-89-128. [Government Funding] Ordinance appropriating \$57,575, Department of Public Health, for permanent salaries-miscellaneous and related mandatory fringe benefits, travel, telephone, materials and supplies, rental of property and data processing/word processing equipment; for the creation of four positions. RO #9266. (Controller) (companion to File 102-89-47)

(Continued from 5/16/90.)

ACTION: AMENDED TO REDUCE TOTAL APPROPRIATION TO \$33,613, AND PLACE \$17,255 IN RESERVE. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$33,613, DEPARTMENT OF PUBLIC HEALTH, FOR PERMANENT SALARIES-MISCELLANEOUS AND RELATED MANDATORY FRINGE BENEFITS, TRAVEL, TELEPHONE, MATERIALS AND SUPPLIES, RENTAL OF PROPERTY AND DATA PROCESSING/WORD PROCESSING EQUIPMENT; FOR THE CREATION OF FOUR POSITIONS; PLACING \$17,255 IN RESERVE." RECOMMENDED AS AMENDED.

6. File 102-89-47. [Public Employment] Ordinance amending Annual Salary Ordinance, 1989-90, Department of Public Health, Central Office, reflecting the addition of four positions (Classifications 1446 Secretary II, 1844 Sr. Management Assistant, 2822 Health Educator, and 2825 Sr. Health Educator). (Civil Service Commission) (companion to File 101-89-128)

(Continued from 5/16/90.)

ACTION: RECOMMENDED.

7. File 86-90-1. [County Fair and Its Budget] Resolution authorizing San Francisco County Fair to be held in 1990; and approving budget and authorizing approval of premium schedule. (Recreation and Park Department)

(Continued from 4/11/90.)

ACTION: AMENDMENT OF THE WHOLE BEARING SAME TITLE ADOPTED AND FURTHER AMENDED. SEE FILE FOR DETAIL. RECOMMENDED AS AMENDED.

8. File 101-89-136. [Government Funding] Ordinance appropriating \$2,536,945, Fire Department, for permanent salaries - uniform and extended work week and reducing \$1,000,000 from permanent salaries-miscellaneous and Retirement - City uniform. RO #9281 (Controller)

ACTION: RECOMMENDED.

9. File 101-89-137. [Government Funding] Ordinance appropriating \$125,000, Cleanwater Program, for professional and special services contract (Wastewater Reclamation Program) RO #9276. (Controller)

ACTION: RECOMMENDED.

10. File 127-89-7. [Event Notification] Ordinance amending San Francisco Municipal Code, Part III, by adding Section 251.1 to require every person, firm or corporation engaged in the business of renting or letting rooms to notify the Tax Collector of the exhibition and sale of goods, wares and merchandise by a transient merchant as defined in Section 251 of this article. (Supervisor Kennedy)

ACTION: AMENDED. SEE FILE FOR DETAIL. NO CHANGE IN TITLE. RECOMMENDED AS AMENDED.

11. File 142-90-1. [Water Rates - Finding] Resolution making a finding that no tax subsidy will be required by the San Francisco Water Department by reason of approval of a proposed schedule of rates to be charged by the San Francisco Water Department for retail water services in San Francisco and suburban areas. (Public Utilities Commission)

ACTION: RECOMMENDED.

12. File 142-90-1.1. [Water Rates] Resolution disapproving revised schedule of rates to be charged by the San Francisco Water Department for retail water service in San Francisco and suburban areas. (Public Utilities Commission) (companion to File 142-90-1)

ACTION: TO BOARD WITH RECOMMENDATION "DO NOT PASS"

File 142-90-1.2. RESOLUTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED: "[Water Rates] RESOLUTION APPROVING REVISED SCHEDULE OF RATES TO BE CHARGED BY THE SAN FRANCISCO WATER DEPARTMENT FOR RETAIL WATER SERVICE IN SAN FRANCISCO AND SUBURBAN AREAS." RECOMMENDED.

13. File 142-90-2. [Water Rates - Finding] Resolution making a finding that no tax subsidy will be required by the San Francisco Water Department by reason of approval of a proposed revised schedule of rates to be charged by the San Francisco Water Department for water supplied to its suburban resale customers. (Public Utilities Commission) (companion to File 142-90-2.1)

ACTION: RECOMMENDED.

14. File 142-90-2.1. [Water Rates] Resolution disapproving revised schedule of rates to be charged by the San Francisco Water Department for water services and water supplied to its suburban resale customers. (Public Utilities Commission) (companion to File 142-90-2)

ACTION: TO BOARD WITH RECOMMENDATION "DO NOT PASS"

File 142-90-2.2. RESOLUTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED: "[Water Rates] RESOLUTION APPROVING REVISED SCHEDULE OF RATES TO BE CHARGED BY THE SAN FRANCISCO WATER DEPARTMENT FOR WATER SERVICES AND WATER SUPPLIED TO ITS SUBURBAN RESALE CUSTOMERS." RECOMMENDED.

15. File 142-90-3. [Water Rates - Finding] Making a finding that no tax subsidy will be required by the San Francisco Water Department by reason of approval of a proposed revised schedule of rates to be charged by the San Francisco Water Department for water use in excess of allotment. (Public Utilities Commission) (companion to File 142-90-3.1)

ACTION: RECOMMENDED.

16. File 142-90-3.1. [Water Rates] Disapproving revised schedule of rates to be charged by the San Francisco Water Department for water use in excess of allotment. (Public Utilities Commission) (companion to File 142-90-3)

ACTION: TO BOARD WITH RECOMMENDATION "DO NOT PASS"

File 142-90-3.2. RESOLUTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED: "[Water Rates] RESOLUTION APPROVING REVISED SCHEDULE OF RATES TO BE CHARGED BY THE SAN FRANCISCO WATER DEPARTMENT FOR WATER USE IN EXCESS OF ALLOTMENT." RECOMMENDED.

17. File 203-90-1. [Quitclaim Deed] Ordinance authorizing and directing execution of quitclaim deed by City and County of San Francisco to San Francisco Unified School District, a political subdivision of the State of California, for the Galileo High School site; and adopting findings pursuant to Planning Code Section 101.1. (Supervisor Maher)

ACTION: CONTINUED TO 6/6/90.

18. File 193-90-10. [Zoo Admission Fees] Resolution urging the San Francisco Zoo Commission to reconsider increasing the admission fee at the zoo, and to consider other avenues of revenue. (Supervisor Hallinan, Nelder)

ACTION: AMENDMENT OF THE WHOLE ADOPTED. NEW TITLE: "[Zoo Admission Fees] RESOLUTION URGING THE MAYOR TO URGE THE RECREATION AND PARK COMMISSION TO RECONSIDER INCREASING THE ADMISSION FEE AT THE SAN FRANCISCO ZOO AND TO EXPLORE OTHER AVENUES OF REVENUE." ADD SUPERVISOR MAHER AS CO-SPONSOR. RECOMMENDED AS AMENDED.



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ATTN: Gerry Roth

CITY AND COUNTY



OF SAN FRANCISCO

**BOARD OF SUPERVISORS**

**BUDGET ANALYST RECOMMENDATIONS**

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415)554-7642

May 30, 1990

**TO:** Finance Committee

**FROM:** Budget Analyst

**SUBJECT:** May 30, 1990 Finance Committee Meeting

DOCUMENTS DEPT.

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Item 1a -File 28-90-9

**Department:** Fire Department

**Item:** Resolution authorizing the Fire Department to perform emergency repair work to remove two skywalks located above Fire Station #1 at 416 Jessie Street due to a potential for their collapse. Section 6.30 of the Administrative Code states that approval by the Board of Supervisors is required for emergency repairs exceeding \$25,000.

**Amount:** Estimated amount not to exceed \$177,000

**Source of Funds:** Proceeds from the 1989 Proposition A General Obligation Earthquake Safety Bond Funds.

**Description:** Two skywalks located above Fire Station No. 1 at 416 Jessie Street are in danger of falling onto the Fire Station below. As a result of the October, 1989 earthquake and the aftershocks, the acting Chief of the Fire Department declared an emergency on May 1, 1990 and has urged the City to take quick and decisive action to alleviate this hazard.

The two skywalk structures have been inspected by both the Federal Emergency Management Agency (FEMA) and the Department of Public Works (DPW), and it is their recommendation that these structures be removed. It was originally estimated that the emergency work would cost \$363,500 but a cost revision has since reduced the estimated cost to \$177,000. Of the current estimate of \$177,000 to complete the emergency work, a total of \$125,000 has already been approved with the passage of Ordinance No. 117-90 on April 2, 1990. Under these circumstances an additional \$52,000 would be needed to complete the removal of the subject two skywalk structures.

**Comment:**

1. According to Mr. Mark Primeau of the Department of Public Works, an expedited bidding procedure will be used shortly to complete the subject emergency work. The procedure will include contacting MBE/WBE contractors and selecting a qualified firm within the next two weeks.
2. A request to release \$52,000 in reserve funds for this emergency item is included in this report under Item 1f. Item 1f includes both the release of funds for the Fire Department as well as additional funds needed by the Department of Public Works.

**Recommendation:** Approve the proposed resolution.



Item 1b - File 31-90-5

**Department:** Treasurer - Tax Collector

**Item:** Resolution approving the immediate filling of a vacant position

**Position:** 1654 Principal Accountant

**Retirement Date:** June 29, 1990

**Normal Refill Date:** December 11, 1990

**Proposed Refill Date:** July 2, 1990

**Funding Needed:** \$20,166 (116.5 days @ \$173.10 per day)

**Proposed Funding Source:** Surplus from Permanent Salaries

**Description:** Section 10, Subsection 1 of the current Annual Appropriation Ordinance permits immediate filling of a position left vacant due to death or retirement of an incumbent when a lump sum payment is made for accumulated sick leave and/or vacation. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the General Manager, Personnel and the Mayor and approval by resolution of the Board of Supervisors.

**Comments:**

1. The incumbent Principal Accountant will retire effective June 29, 1990 and will be paid 932 hours (116.5 days) of accumulated sick leave, which would prevent refilling this position before December 11, 1990. The incumbent was hired prior to June 5, 1978 and therefore is entitled, under the vested sick leave program, to payment for accumulated sick leave.
2. The Treasurer reports that the Principal Accountant position, which directly supervises two staff, is responsible for coordinating and supervising the recording, reconciling and monitoring of cash and investment transactions, bank accounts and FAMIS reports involving substantial City assets. The Treasurer adds that the duties performed by this position are essential to the maintenance of proper internal controls which are necessary to protect the City's assets.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Item 1c - File 38-90-5

- Department:** San Francisco Police Department
- Item:** Resolution authorizing the San Francisco Police Department to accept the gift of a 1989 Ford Clubwagon, valued at \$14,732.
- Description:** The Variety Club of California, a non-profit agency, has offered to donate a gift of a Clubwagon to the Police Department's Wilderness Adventure Youth Program to be used to transport inner-city youth to various camping and recreational activities.
- Captain Larry Minasian of the Police Department reports that the Clubwagon will allow the Wilderness Adventure Youth Program to increase the number of youth involved in the program's activities. According to Captain Minasian, the maintenance, operation (i.e, gas) and staffing costs for the Clubwagon would be absorbed within the Department's existing budget.
- Recommendation:** Approve the proposed resolution.



May 30, 1990

Item 1d - File 64-90-11

**Department:** Department of Social Services  
Department of Real Estate

**Item:** Resolution to authorize a new lease.

**Location:** 1625 Van Ness Avenue

**Purpose of Lease:** Office space for Emergency Response Unit of the Child Welfare Division

**Lessor:** Wherco

**No. of Sq. Ft. and Cost per month:** 14,120 sq ft @ \$1.42/sq. ft./month = \$20,003 per month

**Annual Cost:** \$240,036

**Utilities and Janitorial Services Provided by Lessor:** Yes, includes gas, water, electricity, scavenger, and janitorial service and supplies

**Term of Lease:** July 1, 1990 to June 30, 1991

**Source of Funds:** 25 percent General Fund monies (1990-91 budget)  
50 percent Federal funds allocated for administration  
25 percent State subvention funds for administration

**Description:** Currently, the Emergency Response Unit of the Child Welfare Division of DSS is housed at the Andrew Jackson School, which is owned and maintained by the San Francisco Unified School District. DSS currently pays \$11,350 per month (\$.62/ sq. ft. for 18,344 sq. ft.) or \$136,200 per year in rent for the space at the Andrew Jackson School. DSS has been notified that the lease for the space at the School will not be renewed for FY 1990-91, because the San Francisco Unified School District wishes to use the space for other purposes.

Real Estate has located the proposed office space at 1625 Van Ness Avenue and advises that the rental rate of \$1.42 per square foot per month is a fair market rate.

**Comments:** DSS has requested the above funds for the rental of the 1625 Van Ness property in their 1990-91 budget.

**Recommendation:** Approve the proposed resolution

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 1e - File 100-89-1.18

**Department:** Rent Stabilization and Arbitration Board (Rent Board)

**Item:** Request for release of reserve

**Amount:** \$7,100

**Source of Funds:** Residential Rent Stabilization and Arbitration Fund

**Description:** The proposed request for release is for \$7,100 of additional computer equipment, facilities and furniture.

A total of \$221,212 was placed on reserve in June, 1989 during the 1989-90 budget hearings pending the provision of additional information and the passage of the rental fee legislation. The rental fee legislation (Ordinance No. 278-89), which replaced the Rent Board's filing and petition fees with an \$8 per unit fee on the owner of all rent controlled units, is now being used to fund the Rent Board's 1989-90 operations. Fees collected are deposited in the Residential Rent Stabilization and Arbitration Fund.

The Rent Board's total budget for fiscal year 1989-90 is \$1,236,000. Mr. Joseph Grubb of the Rent Board reports that as of April 30, 1990 the Tax Collector had collected a total of \$1,192,793 from the \$8 per unit fees. This does not include the delinquent billings, which were recently issued and the Tax Collector's Office reports that additional funds are now being received. A total of \$198,269 of delinquent bills were sent.

In December, 1989, the Finance Committee approved the release of \$133,540 of funds for the Rent Board. The Rent Board is now requesting the release of an additional \$7,100 for the following:

<u>Equipment Lease/Purchase</u>	
3 Computer Terminals	\$1,750

<u>Equipment Purchase</u>	
Counter and Swinging Door	\$2,000
4 Conference Tables	1,768*
2 96" Tables @ \$514 =	\$1,028
2 72" Tables @ \$370 =	740
2 Conference Chairs	
@ \$211 per Chair	422*
20 Chairs @ \$58 per Chair	<u>1,160*</u>
Subtotal Equipment Purchase	\$5,350
Total	\$7,100

\*Total of \$3,350 for furniture.

**Comments:**

1. In the 1989-90 budget, the Rent Board included \$3,500 for the lease of two additional Wang computer terminals, which was placed on reserve. In December, 1989, the Finance Committee approved the release of \$1,750, or one-half of the reserved funds, for the lease of the two computer terminals for the remaining one-half of the fiscal year. However, according to Mr. Grubb, the Rent Board has not yet leased these two computer terminals.

2. Mr. Grubb reports that due to a new lease agreement recently negotiated with Wang, the Rent Board can now purchase three computer terminals for the \$3,500 previously budgeted for the cost of leasing two computer terminals. Mr. Grubb reports that the cost for each computer terminal is \$1,185, for a total cost for the three computer terminals of \$3,555. According to Mr. Grubb, the additional \$55 cost (\$3,555 less \$3,500) for the purchase of the equipment would be made up from other savings in the Department. The Electronic Information Processing Steering Committee (EIPSC) has approved the purchase of the computer equipment. Therefore, the Rent Board is now requesting that the remaining \$1,750 of Equipment Lease/Purchase funds be released in order to fully pay for the purchase of three computer terminals.

3. The remaining \$5,350 funds requested by the Rent Board for release are from the Equipment Purchase account. However, the amount of funds that are on reserve for Equipment Purchase for the Rent Board totals \$4,424, or \$926 less than the amount requested for release.

4. From the Equipment Purchase account, the Department is requesting that \$2,000 be released for the installation of a new counter and swinging door, to provide adequate service to the public and to provide protection for the Department staff. However, the funds for Equipment Purchase that were placed on reserve by the Finance Committee did not include any funds for a new counter and swinging door. According to Mr. Grubb, the counter and door were considered to be emergency items that were needed to prevent the public from entering directly into the Rent Board's staff offices and that the counter and swinging door have already been installed. The installation was completed through the landlord at 25 Van Ness, where the Rent Board leases space. Mr. Grubb reports that the funds to finance the purchase were taken from the Rent Board's Telephone account. Based on discussions with Mr. John Madden of the Controller's Office, the Budget Analyst recommends that the Finance Committee not approve the request for release of \$2,000 for the new counter and swinging door. Rather, the Rent Board should either immediately submit a supplemental appropriation request to fund the cost of the new counter and swinging door, or prepare an emergency request, which permits City departments, under Section 6.30 of the Administrative Code, to initiate an expedited bidding procedure for immediately necessary work.

5. The Department is also requesting \$3,350 for the purchase of additional furniture, including four conference tables and 22 chairs. It should be noted however, that the funds placed on reserve were for only one conference table and ten chairs. In fact, requests for two additional conference tables and 20 additional chairs totalling \$2,050 were cut by the Board of Supervisors from the Rent Board's budget during the 1989-90 budget hearings. The Budget Analyst therefore recommends that only one conference table and ten chairs at a total cost of \$1,094 (\$514 for one 96" conference table and \$580 for ten chairs at \$58 per chair) be released, which corresponds with the amount of furniture that was placed on reserve by the Finance Committee for the Rent Board.

**Recommendations:**

1. Approve a total of \$2,844 for purchasing computer equipment (\$1,750) and one conference table and ten chairs (\$1,094).
2. Continue to reserve the balance of \$4,256 (request of \$7,100 less recommended release of \$2,844).
3. The Rent Board should immediately submit a supplemental appropriation request for \$2,000 or an emergency request for the cost of installing the counter and swinging door which have already been accomplished and paid for by the Rent Board.



Item 1f - File 101-89-101.1

**Department:** Fire Department  
Department of Public Works (DPW)

**Item:** Release of Reserve

**Amount:** \$358,000

**Source of Funds:** Proceeds from the 1989 Proposition A General Obligation Earthquake Safety Bond Funds.

**Description:** With the passage of Ordinance No. 117-90 appropriating \$1,572,834 for various improvements under the 1989 Earthquake Safety Bond Fund, the Board of Supervisors reserved \$945,700 until City departments provided additional information on the use of the budgeted funds. At this time the Fire Department and the Department of Public Works are seeking the release of \$358,000 from the previously reserved \$945,700 as follows:

Fire Department:		
Preliminary Arch./Eng. Services	\$256,000	
Emergency Repair at Station #1	<u>52,000</u>	
Subtotal		\$308,000
Department of Public Works:		
Planning/Assessment	<u>50,000</u>	
Total		\$358,000

**Preliminary Architectural and Engineering Services:**

The Preliminary Architectural and Engineering Services for the Fire Department totaling \$256,000 are identified for eight project activities including Fire Station No. 2., Fire Station No. 8, Fire Station No. 24, Fire Station No. 37, Fire Station No. 44, Arson Task Force, Pump Station No. 1, and Headquarters Building.

**Emergency Repair at Station #1:**

The total cost to make the emergency repairs at Fire Station #1 is \$177,000 of which a total of \$125,000 has already been appropriated. An additional \$52,000, which is included in the requested release of reserved funds, is needed to provide sufficient funds to complete the emergency repairs. Specifically, this would fund the repair of two skywalks located above Fire Station No. 1 at 416 Jessie Street which are in danger of falling onto the Fire Station below. As a result of the October, 1989 earthquake and the aftershocks,

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the acting Chief of the Fire Department declared an emergency on May 1, 1990 and has urged the City to take quick and decisive action to alleviate this hazard. Item 1a (file 28-90-9) is the emergency resolution to authorize this repair work.

#### **Planning and Assessment Activities:**

Planning and assessment activities include seismic evaluations at three public buildings: Fine Arts Museum, City Hall Annex and City Hall.

A seismic evaluation for the existing Asian Arts Museum portion of the Fine Arts Museum will be done to estimate what strengthening would be needed. That area will be used by the Fine Arts Museum after the Asian Arts Museum moves to its new location. DPW expects to enter into a contract with Faye Bernstein & Associates, a WBE structural engineering firm, to perform the work.

A seismic evaluation of City Hall Annex will be made shortly as the result of a recent settlement between DPW and AFTE Local 21 over safety concerns for the existing structure. DPW is working with the Human Rights Commission to identify a MBE/WBE firm to undertake the seismic work.

Seismic evaluations for City Hall are continuing. The movements in the ornamental masonry and masonry veneers in City Hall make it desirable to reevaluate the approach for seismic strengthening of the building. By analyzing the patterns, locations, extent, and rates of movement of cracks, it may be possible to revise and/or refine some assumptions that will result in a better design at a lower cost. The structural engineering firm of Forell/Elsesser has performed the earlier work, and the additional proposed work would be handled by that firm as a modification to their existing contract.

**Project Budget:** Preliminary Architectural and Engineering Services

<u>Position</u>	<u>Rate</u>	<u>Man Hours</u>	<u>Total</u>
<b>DPW Bureau of Architecture:</b>			
5504 Project Manager	\$63/Hr	300	\$18,900
5268 Project Architect	52/Hr	592	30,784
5261 Architectural Asst. II	32/Hr	694	22,208
5260 Architectural Asst. I	30/Hr	565	<u>16,950</u>
Subtotal			\$88,842

**Bureau of Engineering:**

<u>Position</u>	<u>Rate</u>	<u>Man Hours</u>	<u>Total</u>
5210 Senior Civil Engineer	\$69/Hr	326	22,494
5206 Associate Civil Engineer	51/Hr	1,332	67,932
5362 Civil Engineering Asst. II	36/Hr	1,676	60,337
5258 Senior Mech. Engineer	64/Hr	33	2,112
5256 Mechanical Engineer	55/Hr	81	4,455
5254 Associate Engineer	48/Hr	90	4,320
5252 Asst. Mech. Engineer	42/Hr	114	4,788
5250 Jr. Mech. Engineer	36/Hr	20	<u>720</u>
Subtotal			\$167,158

Total (Preliminary Services) \$256,000

The costs for the emergency repairs are as follows:

Fire Station #1 Emergency Repair:	
Revised Construction Estimate	\$143,000
Design Architectural/Engineering	19,400
Construction Management Inspection	<u>14,600</u>
Total	\$177,000
Less Amount Already Appropriated	( <u>125,000</u> )
Total (Emergency Repairs)	\$ 52,000

The Planning and Assessment costs for the seismic evaluations are as follows:

Fine Arts Museum	\$15,000
City Hall Annex (450 McAllister Street)	20,000
City Hall	<u>15,000</u>
Total (Planning and Assessment)	\$50,000

Total Proposed Release of Funds \$358,000

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**Comment:**

This legislation would release \$358,000 from an original reserve of \$945,700 from a total appropriation of \$1,572,834 for various bond fund capital improvement projects. The proposed release of funds and remaining balances by individual departments are as follows:

<u>Department</u>	<u>Amt Reserved</u>	<u>Proposed Release*</u>	<u>Balance Left In Reserve</u>
Fire Department	\$494,500	\$308,000	\$186,500
Academy of Sciences	25,600	0	25,600
Fine Arts Museum	12,800	0	12,800
Asian Art Museum	112,800	0	112,800
Dept. of Public Works	<u>300,000</u>	<u>50,000</u>	<u>250,000</u>
Totals	\$945,700	\$358,000	\$587,700

\*Subject of the proposed item.

**Recommendation:** Approve the release of reserved funds as requested.

Item 1g -File 153-90-1.2

**Department:** Department of Social Services (DSS)

**Item:** Release of reserved funds previously approved for operation of two multi-service centers for the homeless, shelter equipment, and administration of the State Natural Disaster Emergency Shelter Program (NDESP) for people made homeless by the October, 1989 earthquake.

**Amount:** \$1,264,243

**Source of Funds:** Previously reserved grant funds in the amount of \$6.2 million from the California Department of Housing and Community Development and the Federal Emergency Management Agency (FEMA)

**Description:** The Board of Supervisors approved Resolution No. 116-90 in February of 1990 which authorized the Department of Social Services (DSS) to apply for, accept and expend \$6.2 million in NDESP grants from the California Department of Housing and Community Development (CDHCD) and the Federal Emergency Management Agency (FEMA) in order to provide shelter and support services for families and individuals made homeless by the October 17, 1989 earthquake. Such assistance includes the establishment of multi-service centers.

At the time the Board of Supervisors approved Resolution No. 116-90, DSS did not have specific budgetary details of expenditures for the proposed shelter programs and the \$6.2 million was therefore placed on reserve. DSS now requests a release of reserves in the amount of \$1,229,243 in order to begin funding two multi-service centers maintained through contract with Episcopal Community Services and St. Vincent de Paul. The multi-service center maintained by Episcopal Community Services, located at 1001 Polk Street, will have a service capacity of 225 beds, and the multi-service center maintained by St. Vincent de Paul, located at 695 Bryant, will have a service capacity of 200 beds. The terms of both contracts would be for 14 months. As requested, DSS has furnished the following budgets (See Attachments 1 and 2). In addition, DSS requests release of reserves in the amounts of \$15,000 for a proposed Family Shelter program and \$20,000 for administration of the NDESP contract by DSS.

The total budget of \$1,264,243 is summarized as follows:

Multi-service center contracts	\$1,229,243
Family Shelter program	15,000
NDESP contract administration by DSS	<u>20,000</u>
Total	\$1,264,243

The \$20,000 for contract administration would be used to compensate DSS for the administration of the NDESP grant funds. Ms Carla Javits of DSS advises that no new positions would be created to administer these funds.

**Comments:**

1) Ms. Javits has advised that a detailed budget for the entire \$6,197,900 cannot be provided to the Board of Supervisors because DSS does not know the total amount of funding that the City will receive. To date, DSS has received \$1,431,243 from CDHCD consisting of \$167,000 to fund the Rental Deposit Guarantee Program (File 153-90-1.10), and \$1,264,243 to fund the operation of the multi-service centers, the proposed Family Shelter program and DSS contract administration. The \$1,264,243 is the subject of this report.

2) As summarized in the attached budgets for the operation of the multi-service centers, the total cost for the multi-service center maintained by Episcopal Community Services is \$894,361, and the total cost for the multi-service center maintained by St Vincent de Paul is \$777,472 for a combined cost of \$1,671,833. The amount of \$1,671,833 exceeds the request for release of reserve of \$1,264,243 by \$407,590. Ms Javits has advised that if DSS does not receive from CDHCD and FEMA the remaining grant funds requested, the Department plans to use existing redirected program funds allocated in its 1990-91 budget to cover \$288,173 of the remaining \$407,590 in costs (approximately 3 1/2 months of contractual services) of the multi-service center contracts. DSS would request the residual amount of \$119,417 in its 1991-92 budget. Ms Javits further advises that if funding is not available for the remaining portions of the contracts with Episcopal Community Services and St. Vincent de Paul, the contracts would be terminated at the end of approximately 10 1/2 months.

3) As noted above, DSS has budgeted \$15,000 for a proposed family shelter program. Mr. Jim Wingate of DSS reports that the Department has not identified a location for the program yet and has not yet determined the program costs. Requests for Proposals were issued and DSS has set June 20, 1990 as a deadline for bids. Until DSS receives all of the bids for the family shelter program, the budgeted costs for the proposed family shelter program will not be known.

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Therefore, the \$15,000 for the proposed family shelter program should remain on reserve until the details of the program costs are known.

- Recommendation:**
- 1) Approve the proposed release of the reserved funds in the amount of \$1,249,243.
  - 2) Continue to reserve the remaining \$15,000 pending a determination of the program costs.

## Budget for Multi-Service Center at 1001 Polk St.

Line Item	Episcopal Community Svcs 1001 Polk Street
<b>Salaries</b>	
Manager MSC Director	\$38,000
Manager-Drop-in Program	\$20,000
Supervisor-Shelter	\$20,000
Shelter Manager	\$22,000
Job Developer	\$22,000
Social Workers (4)	\$88,000
Shelter monitors (17)	\$255,000
Janitor (3)	\$36,000
Security Guard (1)	\$28,000
Total Annual Salaries	\$529,000
Salaries to 14 months	\$105,800
<b>Fringe Benefits 20% of payroll</b>	
	\$126,960
Total Salaries and Benefits	\$761,760
<b>Operations &amp; Maintenance</b>	
Utilities	\$50,400
Insurance	\$21,000
Office & Building Maint.	\$35,000
Staff Travel & Education	\$0
Other Materials and Supplies	\$26,201
Total Op & Maint.	\$132,601
Total Personnel & Operation	\$894,361
Total program budget	\$894,361



## Budget for Multi-Service Center at 695 Bryant

**St Vincent de Paul  
695 Bryant**

<b>Line Item</b>	
Salaries	
Program Director	\$35,000
Administrative Asst	\$19,806
Case Manager Supervisor	\$26,796
Case Managers (3)	\$66,408
Shelter Supervisors (2.8)	\$61,978
Shelter Assts (9.4)	\$175,217
Program Aide (2.8)	\$48,930
Security Guard (1.4)	\$24,465
Total Salaries	<u>\$458,600</u>
Fringe Benefits	\$87,133
Reserve @ 8%	<u>\$43,660</u>
Total Salaries and Benefit	\$589,393
Operations & Maintenance	
Utilities	\$36,000
Insurance	\$14,000
Office & Building Maint.	\$7,500
Staff Travel & Education	\$3,500
Other Materials and Supplie	\$56,400
Total Op & Maint.	<u>\$117,400</u>
Total Personnel & Operatic	\$706,793
Administrative fees (10%)	\$70,679
Total program budget	<u>\$777,472</u>



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Item 1h - File 146-90-33

**Department:** Department of Public Health (DPH)

**Item:** Resolution authorizing the Department of Public Health to apply for, accept and expend a continuation State Grant.

**Amount of Grant:** \$975,316

**Source of Grant:** State Department of Health Services

**Grant Period:** October 1, 1990 through September 30, 1991

**Project:** Women, Infants and Children (WIC) Program

**Description:** The WIC program provides nutrition education and supplemental foods to pregnant, lactating or postpartum women and to children under age five who are receiving ongoing medical care. Eligible clients must also meet Federal income guidelines, reside in the local target area and be determined by a health professional to be at nutritional risk.

**No. of Persons to be Served:** 14,070 participants per month

**Grant Budget:**

<u>Personnel</u>			
Senior Nutritionist	1.0	\$51,346	
Nutritionist	3.9	179,417	
Dietitian	.5	16,524	
Health Worker I	14.5	331,345	
Health Worker II	6.0	167,435	
Health Worker III	1.0	30,282	
Fringe Benefits		<u>163,589</u>	
Subtotal Personnel	26.9		\$939,938
<u>Operating Expenses</u>			
Materials and Supplies		\$8,378	
Communications		14,000	
Computer Maintenance		3,999	
Training		1,000	
Staff Mileage		2,000	
Rent (Lease \$1.00 per year)		<u>1</u>	
Subtotal Operating Expenses			29,378
<u>Equipment</u>			
Copier		\$3,000	
Telephone Answering Machines		<u>3,000</u>	
Subtotal Equipment			<u>6,000</u>
Total			\$975,316

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**Indirect Costs:** None

**Required Match:** None

**Comments:**

1. The proposed \$975,316 in State grant funds for 1990-91 is the same level of funding that was received in 1989-90.
2. Attached is the "Health Commission-Summary of Grant Request" prepared by DPH for this State grant.

**Recommendation:** Approve the proposed resolution.

## Item No. \_\_\_\_\_ Health Commission - Summary of Grant Request

Rev. 4/10/90

Grantor State Dept. of Health Services  
 Contact Person JoAnn Wray, Chief of WIC  
 Address 714/744 P Street  
Sacramento, CA 95814

Division Community Public Health Services  
 Section Family Health  
 Contact Person Florence Stroud  
 Telephone (415) 554-2620  
 Application Deadline 5/19/90  
 Notification Expected NA

Amount Requested \$ 975,316  
 Term: From 10/1/90 To 09/30/91

Health Commission 05/01/90

Board of Supervisors: Finance Committee \_\_\_\_\_

Full Board \_\_\_\_\_

L. Item Description: Request to accept and expend grant in the amount of \$975,316 from the period of 10/01/90 to 09/30/90 to provide WIC services.  
 (Check appropriate words) accept and expend (continuation) (extension) (supplementation)

II. Summary: (Concise history, need addressed; number & groups served; services and providers)

The WIC Program provides nutrition education and supplemental foods to pregnant women, lactating or post-partum women and to children under five who are receiving ongoing medical care; meet Federal income guidelines; reside in the local target area and are determined by the health professional to be at nutritional risk. The Dept. of Public Health has administered this program since 10/86

III. Outcomes/Objectives:

To provide services to 14,070 participants per month. Actual participation for 1989-90 3,534 women, 3,000 infants, 4,300 children.

IV. Effects of Reduction or Termination of These Funds:

Services to pregnant women, infants and children will be severely curtailed.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	\$ 885,451	\$ 975,316	\$ 975,316			
Personnel	754,224	929,700	939,938	+10,238		
Equipment	30,926	14,016	6,000	- 8,016		
*Contract Svc.	-	-	-	-		
Mat. & Supp.	36,339	12,000	8,378	- 3,622		
Facilities/Space	9,000	14,000	14,001			
Other	18,012	1,600	4,999	+ 3,399		
Indirect Costs	33,950	-	-	-		
Travel	3,000	4,000	2,000	- 2,000		

VI. Data Processing

(none included above)

VII. Personnel

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
F/T CSC	33	27.0	26.9	- .1		
P/T CSC		.5				
Contractual						

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:  
 NONE

Will grant funded employees be retained after this grant terminates? If so, How?  
 It is not foreseeable that grant will terminate.

VIII. Contractual Services: Open Bid \_\_\_\_\_ Sole Source \_\_\_\_\_ (If sole source, attach Request for Proposals Form)



Item 1i - File 101-89-104.2

**Department:** Registrar of Voters

**Proposed Action:** Release of reserved funds previously approved for City election-related cost increases. The funds were reserved pending the submission of estimates of the number of initiative signatures to be verified.

**Amount:** \$4,850

**Source of Funds:** General Fund - General Reserve

**Description:** On April 9, 1990, the Board of Supervisors approved a supplemental appropriation of \$370,700 for City election-related cost increases previously incurred for the November 1989 election, for projected City election-related cost increases for the June 1990 election and to purchase computer equipment to increase election efficiency. Of the \$370,700 appropriated, a total of \$47,270 was placed on reserve pending the Registrar of Voters' submission of information regarding the June 1990 election, including estimates of the number of absentee ballot requests needed to be processed, the number of initiative signatures to be counted and the actual length of the voter information pamphlet. On April 25, 1990, the Finance Committee approved the release of \$42,420 of the reserved amount of \$47,270.

The Registrar is now requesting the release of the balance of \$4,850 for temporary salaries for the verification of signatures on initiative petitions.

The Registrar had budgeted for a total of 562,500 signature verifications for the June, 1990 election. In the Budget Analyst report to the Finance Committee meeting of March 28, 1990, the Budget Analyst reported that the reserved funds for initiative signature verification could be requested for release at the rate of \$0.092 per signature. The Registrar is now requesting the release of \$4,850 for 55,000 additional signatures at a rate of \$0.088 per signature.

**Recommendation:** Release the reserved funds.

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Item 2 - File 65-90-1

**Note:** This item was continued by the Finance Committee at its meeting of May 23, 1990 in order to receive information on the status of the contract between the City and the University of California, San Francisco.

**Departments:** San Francisco General Hospital (SFGH) and  
Real Estate Department

**Item:** Ordinance authorizing a new 10-year rental agreement between the City and the University of California, San Francisco (UCSF).

**Location:** SFGH Building 100, First Floor

**Purpose of Lease:** Laboratories and offices to conduct medical research, related teaching and administration.

**Lessee:** Regents of the University of California

**No. of Sq. Ft. and Rent/Month:** 3,522 sq.ft. @ \$0.47/sq.ft./mo. = \$1,655.34/mo.

**Annual Rent:** \$19,864.08. The rent would be adjusted annually according to a cost of living index, and re-established on July 1, 1992 and every five years after July 1, 1992, for the term of the lease agreement.

**% Increase over 1988-89:** Not applicable.

**Utilities and Janitor**

**Provided by Lessee:** Lessee would pay for janitorial services. Lessee would reimburse the City for utilities and other services for its share of utilities and other services with the charge not to exceed \$968.55 per month during the first six months or from the time UCSF receives possession until occupancy has taken place. After this period, the lessee would reimburse the City at a rate of \$1,937.10 per month, to be adjusted as the costs for utilities and services increase.

**Term of Lease:** Ten years, commencing on the date that UCSF receives possession of the space.

**Right of Renewal:** The Lessee would have two 5-year renewal options.

**Comments:**

1. The Department of Public Health is proposing to provide for the expansion of cooperative efforts between UCSF and the City by leasing space in SFGH to provide UCSF with established laboratories and offices to conduct research on a continual basis. The University would bear all the cost of renovating the space to provide the specified research facilities and would be responsible for providing their own staffing, equipment and materials.

2. The DPH estimates that the total cost of the UCSF renovations would be approximately \$50,000 to \$100,000, and may include new laboratory counters, flooring, paint and improvements to the ventilation system. Improvements made to the leased space would become the property of the City upon termination of the lease. According to SFGH, UCSF currently leases a total of 45,859 square feet at SFGH for a total annual cost to UCSF of \$447,104, which includes rent and utilities.

3. According to Ms. Kathy Murphy of SFGH, the space to be leased is currently an old clinical laboratory which is largely vacant. Ms. Murphy reports that the few SFGH staff that remain in the laboratories are being moved to other existing laboratories in SFGH.

4. Mr. Robert Haslam of the Real Estate Department reports that the proposed rent of \$0.47/square foot/month represents fair market value for this type of space.

**Recommendation:** Approve the proposed ordinance.

Items 3 and 4 - Files 146-90-34 and 221-90-1

**Department:** Department of Public Health (DPH), Central Office

**Items:** Resolution authorizing the DPH to apply for, accept and expend a State grant of Proposition 99 -Tobacco Tax monies totalling \$1,603,952 for Phase I and Phase II of the Tobacco Control Plan (File 146-90-34).

Resolution authorizing the Phase I and II (Preliminary) Tobacco Control Plan and Budget (File 221-90-1).

**Amount of Grant:** \$1,603,952

**Source of Grant:** Proposition 99 - Tobacco Tax monies

**Grant Period:** January 1, 1990 through December 31, 1990

**Project:** Proposition 99 Health Education Program (Tobacco Control Plan) Phases I and II

**Description:** The proposed resolutions would enable the DPH to implement Phases I and II of the Tobacco Control Plan, which is the health education portion of the Proposition 99 - Tobacco Tax programs. Proposition 99, through the AB 75 enabling legislation, provides new funds to be administered by county health departments to provide:

- 1) follow-up medical services for the existing Child Health and Disability Prevention Program,
- 2) the California Health Care for Indigents Program (CHIP), and
- 3) the Tobacco Control Plan, which is part of a state-wide effort to use health education to reduce smoking prevalence in California by 75 percent by the year 1999.

The Tobacco Control Plan will be administered in three phases. Phase I includes the start-up administration of the program and Phase II includes the implementation of the initial efforts to identify existing tobacco intervention programs, establish an information and referral network, develop the contractual basis for the provision of tobacco control services and develop a plan for evaluating the Phase I and Phase II activities. The third phase is called the Comprehensive Plan, which will provide the details for a proposed implementation of a Comprehensive Community Tobacco Intervention Program.

The proposed resolutions involve the \$1,603,952 grant and the plan and budget for Phases I and II, which is for the period January 1, 1990 through December 31, 1990. The third phase, or Comprehensive Plan, will involve a separate grant application for the period January 1, 1991 through December 31, 1991, which the DPH will submit to the Board of Supervisors at a future date.

Approximately \$26.9 million in total Proposition 99 revenues will be made available to the City for the current 1989-90 fiscal year, of which \$1,603,952 is for the Tobacco Control Program. The Board of Supervisors has previously approved a supplemental appropriation ordinance (File 101-89-80) appropriating \$250,212 in Proposition 99 monies for the creation of 10 positions and operating expenses for the administration of the CHIP program and approximately \$24 million for medical and professional services for the implementation of the CHIP program.

The Finance Committee is concurrently considering a Supplemental Appropriation Ordinance of \$57,575 for the creation of four positions and operating expenses to administer the health education (Tobacco Control) program (see Items 5 and 6, Files 101-89-128 and 102-89-47, respectively, of this report). The source of funds for that proposed Supplemental Appropriation is the proposed \$1,603,952 grant (File 146-90-34).

The proposed resolution (File 221-90-1) would approve the Phase I and II Tobacco Control Plan and Budget, which provides a description of the proposed use of Phase I and II Tobacco Control funds. Board of Supervisors approval of the Plan and Budget is required by the State.

In the Phase I and II Tobacco Control Plan and Budget, the DPH proposes to supplement existing City and community-based services to target local tobacco control programs to the populations identified by the State, including out-of-school youths, pregnant women, women with young children and minorities.

In addition, the DPH, in accordance with AB 75, proposes to develop and provide support for a volunteer tobacco control coalition, provide and contract for health education services designed for tobacco use control and coordinate services between county service providers, government agencies and the county office of education. The DPH also proposes to establish an information, referral, outreach and intake

network for tobacco use control and preventive health education, establish and maintain a data collection system and review and approve the local school district's tobacco use education plans. The DPH proposes to provide these services by augmenting existing DPH and private community-based primary care, youth and mental health services.

**Grant Budget:**

The authority to expend the proposed Proposition 99 grant monies would place the monies in a City Proposition 99 - Tobacco Tax Fund account. The DPH would require additional Board of Supervisors approval to expend the monies from the Proposition 99 - Tobacco Tax Fund account. The proposed \$1,603,952 grant would fund Phases I and II of the Tobacco Control Plan. Although the grant period is for the calendar year 1990, the State allows the funds to be carried over through December 31, 1991. The proposed grant budget is as follows:

<u>Phase I - FY 1989-90</u>	<u>FTE</u>	<u>Amount</u>
Civil Service Permanent Salaries		
Proposed New Positions		
1446 Secretary II	1.0	\$3,772
1844 Sr. Management Assistant	1.0	5,744
2822 Health Educator	1.0	6,232
2825 Sr. Health Educator	<u>1.0</u>	<u>7,524</u>
Subtotal	4.0	\$23,272
Mandatory Fringe Benefits		7,041
Travel		225
Telephone		2,645
Materials and Supplies		5,925
Property Rental		3,000
Data/Word Processing Equipment		<u>15,467</u>
Subtotal Phase I		<u>\$57,575</u>

<u>Phase II - FY 1990-91</u>	<u>FTE</u>	<u>Amount</u>
Civil Service Permanent Salaries		
Proposed New Positions (Including 4 proposed new positions from Phase I, above)		
1446 Secretary II	1.0	\$26,813
1844 Sr. Management Assistant	1.0	39,719
2822 Health Educator	1.0	42,708
2825 Sr. Health Educator	1.0	50,538
1426 Sr. Clerk Typist	1.0	22,226
2587 Health Worker III	1.0	23,542
2803 Epidemiologist II	0.5	20,408
2819 Asst. Health Educator	2.0	67,660
2322 Health Educator	1.25	48,866
2823 Mental Health Educator	0.5	19,547
2930 Psychiatric Social Worker	1.0	35,672
2830 Public Health Nurse	<u>0.5</u>	<u>22,274</u>
Subtotal Proposed New Positions	11.75	\$419,973
Existing Positions		
1424 Clerk Typist	0.25	5,084
2220 Physician	0.1	5,603
2588 Health Worker IV	0.4	11,187
6122 Sr. Environmental Health Insp.	0.5	22,717
P103 Nurse	<u>0.2</u>	<u>7,876</u>
Subtotal Existing Positions	<u>1.45</u>	<u>52,467</u>
Subtotal Permanent Salaries	13.20	472,440
Mandatory Fringe Benefits		137,429
Professional Services		
Community-based agencies to provide Tobacco Control services. Approximately 10 to 15 providers will be selected based on a request for proposal process.		699,555



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Other Contractual Services	\$18,750
Travel	3,500
Training	1,875
Other Services	11,450
Telephone	23,012
Materials and Supplies	59,353
Property Rental	18,000
Equipment	1,835
Data/Word Processing Equipment	3,150
Overhead	69,424
Revenue Transfer to Public Health Central Office	<u>26,604</u>
Subtotal Phase II	<u>\$1,546,377</u>
<b>Total Grant Budget</b>	<b><u>\$1,603,952</u></b>

**Comments:**

1. Based on the Budget Analyst's analysis of the proposed Supplemental Appropriation of \$57,575 for four positions and operating expenses for Phase I of the Tobacco Control (Health Education) Program, the DPH only requires \$33,613 for Phase I of the project, or \$23,962 less than requested (see Items 5 and 6 of this report). Mr. Jeff Leong of DPH states that the DPH will adjust the Phase I and II budgets to reflect the Supplemental Appropriation for Phase I as approved by the Board of Supervisors, but that the total budget for Phases I and II will remain at \$1,603,952.

2. The DPH has prepared a Health Commission - Summary of Grant Request, which is attached.

**Recommendation:**

1. Approve the proposed resolution authorizing the DPH to apply for, accept and expend the State grant funds of \$1,603,952 (File 146-90-34).

2. Approve the proposed resolution approving the Phase I and II Tobacco Control Plan and Budget (File 221-90-1).

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Grantor Calif. Dept. of health Services Division Community Public Health  
 Contact Person Carol Russell Section Bureau of Health Promotion & Ed.  
 Address CDHS, Tobacco Control Section Contact Person Garth Collins  
6007 Folsom Bl., 2nd Fl., Sacramento, CA 95819 Telephone 554-2742  
 Amount Requested \$ 1,603,952 Application Deadline June 1, 1990  
 Term: From July 1, 1990 To June 30, 1991 Notification Expected July 1, 1990  
 Health Commission 5/15/90 Board of Supervisors: Finance Committee \_\_\_\_\_  
 \_\_\_\_\_ Full Board \_\_\_\_\_

1. Item Description: Request to ~~(apply for)~~ (accept and expend) a (new) ~~(continuation)~~ (allocation) ~~(supplemental award)~~  
(Circle appropriate words) grant in the amount of \$1,603,952 from the period of 7/1/90 to 6/30/91  
to provide tobacco use prevention and cessation \_\_\_\_\_ services.

This is an application for Phase I and Phase II (or preliminary) plan tobacco control health education funding allocated to San Francisco City and County through AB75. The overall statewide goal of AB75 is to reduce smoking prevalence in California by 75% by the year 1999. At the local level, the health department has overall responsibility for the success of funded tobacco prevention and cessation programs (see attachment)

By April 1, 1990 to assess and document existing resources and data about tobacco products use for eleven target groups. By June 1, 1990 document the method of delivery of tobacco cessation and prevention services to priority target populations.

The amount of \$1,603,952 has been allocated to San Francisco City and County through AB75, pending approval of the local plan by the Calif. Dept. of health Services, which must be submitted by June 1, 1990. Failure to meet this deadline will result in loss of funding.

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount			1,603,952			
Personnel			685,485			
Equipment			20,567			
* Contract Svc.			684,161			
Mat. & Supp.			97,016			
Facilities/Space			5,500			
Other (travel/train)			8,400			
Indirect Costs			102,823			

(cont. included above) 15,467

F/T CSC	_____	_____	24	_____	_____
P/T CSC	_____	_____	12	_____	_____
* Contractual			28		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:  
Some positions will be augmented by tobacco control funds; those positions are currently funded through the general fund.

Will grant funded employees be retained after this grant terminates? If so, How?  
No unless the funds are legislatively continued after July 1, 1992.

\*VIII. Contractual Services: Open Bid X Sole Source \_\_\_\_\_ (If sole source, attach Request for Exemption Form.)



Memo to Finance Committee  
May 30, 1990

Items 5 and 6 - Files 101-89-128 and 102-89-47

**Note:** These items were continued by the Finance Committee at its meeting of May 16, 1990. These items are related to Items 3 and 4 of this report (File 146-90-34 and File 221-90-1, respectively).

**Department:** Department of Public Health (DPH)

**Items:** Supplemental Appropriation Ordinance for permanent salaries and mandatory fringe benefits, data processing/word processing equipment and operating expenses for the creation of four positions (File 101-89-128).

Annual Salary Ordinance amendment reflecting the addition of four positions (File 102-89-47).

**Amount:** \$57,575

**Source of Funds:** Proposition 99 Grant Funds of \$1,603,952

**Description:** The Board of Supervisors has previously authorized a resolution to apply for and accept up to \$24 million in Proposition 99 - Tobacco Tax monies for the California Health Care for Indigents Program (CHIP) (File 146-89-73) and a Supplemental Appropriation Ordinance (File 101-89-80) for \$250,212 for the creation of ten positions for the administration of the CHIP and other Proposition 99 programs. On May 14, 1990, the Board approved a resolution (File 146-90-27) to expend \$19.5 million of the estimated \$26 million for administration and implementation of CHIP, and a supplemental appropriation (File 101-89-129) of \$19.2 million for the implementation of CHIP.

The proposed amendment to the 1989-90 Annual Salary Ordinance (File 102-89-47) would create four limited tenure positions for the Proposition 99 - Tobacco Tax health education program, which is also called the Tobacco Control Program. The proposed amendment, which will be reviewed at a future meeting of the Civil Service Commission, is as follows:

<u>Action</u>	<u>No.</u>	<u>Classification</u>	<u>1989-90 Biweekly Salary</u>	<u>Top Step Annual Salary</u>
Create	1	1446 Secretary II	\$943-\$1,141	\$29,666
Create	1	1844 Sr. Management Asst.	1,436-1,740	45,240
Create	1	2822 Health Educator	1,558-1,890	49,140
Create	1	2825 Sr. Health Educator	1,706-2,074	53,924

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At the top step, the four positions to be added would cost \$177,970 in annual salary costs.

The proposed Supplemental Appropriation Ordinance (File 101-89-128) would appropriate \$57,575 for permanent salaries and mandatory fringe benefits, data processing/word processing equipment and other operating expenses for the creation of four positions for the period from May 7, 1990 through June 30, 1990, as follows:

Permanent Salaries	\$23,272
Mandatory Fringe Benefits	7,041
Travel	225
Telephone	2,645
Materials and Supplies	5,925
Rental of Property	3,000
Data Processing/Word Processing Equipment	<u>15,467</u>
Total Supplemental Appropriation	\$57,575

**Analysis:** Proposition 99, through the AB 75 enabling legislation, provides new funds to be administered by the county health department to provide:

A) follow-up medical services for the existing Child Health and Disability Prevention Program,

B) the California Health Care for Indigents Program (CHIP), which provides additional funds for counties, and private hospitals and physicians to meet the health care needs of indigent persons and

C) tobacco use prevention health education program, which is called the Tobacco Control Program.

The proposed supplemental appropriation would fund costs of administering the health education portion of Proposition 99 - Tobacco Tax programs for FY 1989-90. In FY 1989-90, the DPH reports that the City has been allocated \$1,603,395 in Proposition 99 monies for the health education program, including the proposed supplemental appropriation of \$57,575. The balance of the \$1,545,820 will be requested by DPH in a forthcoming supplemental appropriation. Unlike the Proposition 99 monies for the CHIP program, Proposition 99 funds for the Health Education program do not need to be encumbered by June 30, 1990. Instead, the funding period for the \$1.6 million, including the \$57,575 in this Supplemental Appropriation, is January 1, 1990 through December 31, 1990,

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which the State allows to be carried forward through December 31, 1991.

The Tobacco Control Health Education program is a State-wide effort to reduce smoking in California by 75 percent by the year 1999. The State has identified the populations to be targeted by local tobacco control programs, including out-of-school youths, pregnant women, women with young children and minorities.

AB 75 stipulates that the county's responsibilities include developing and staffing a tobacco control coalition, providing or contracting for health education services designed for tobacco use control and coordinating services between county service providers, government agencies and the county office of education. The county is also responsible for establishing a coordinated system of information, referral, outreach and intake on tobacco use control and preventive health education, establishing and maintaining a data collection system and reviewing and approving the local school district's tobacco use education plans. The DPH proposes to provide these services by augmenting existing DPH and private community-based primary care, youth and mental health services.

The State divides the program into two phases. Phase I, which covers the period January 1, 1990 through May 31, 1990, is the administrative start-up and planning phase. Phase II, which covers the period June 1, 1990 through December 31, 1990, is the county plan development and implementation phase. In addition, the State requires a Comprehensive Program Plan, which details the proposed implementation of a comprehensive community tobacco intervention program through December 31, 1991, including evaluation methods.

The proposed supplemental appropriation would fund the administration and program services of the Proposition 99 health education program for the period May 7, 1990 through June 30, 1990, as follows:

	<u>FTE</u>	<u>Amount</u>	<u>Total</u>
<u>Permanent Salaries</u>			
2825 Sr. Health Educator Serves as Tobacco Control Project Director, who supervises county-wide program development, plan implementation, program staff and budget and the contracting process; analyzes data and oversees reports; provides technical assistance; coordinates with school district and other agencies and provides staff training.	1.0	\$7,524	
2822 Health Educator Provides staff support to the coalition and the school district; manages the information and referral services; provides technical assistance to organizations to establish the appropriate tobacco use intervention programs; participates in contract negotiations and program review; assists in writing quarterly and special reports; coordinates training activities.	1.0	6,232	
1844 Sr. Management Assistant Develops requests for proposals and processes contracts, including contract negotiations, facilitates revisions and information needs. DPH estimates the need for approximately 15 to 25 contracts.	1.0	5,744	
1446 Secretary II Manages office and work flow and provides clerical support to staff, tobacco control coalition and committees.	1.0	<u>3,772</u>	
Subtotal Permanent Salaries			\$23,272

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	<u>Amount</u>	<u>Total</u>
<u>Mandatory Fringe Benefits</u>		\$7,041
<u>Travel</u>		
Reimbursement for travel to meetings in Berkeley, Sacramento and other Bay Area locations.		
800 miles @ \$.25/mile	\$200	
Parking and Toll	<u>25</u>	
		225
Funding should be reduced by \$112 to \$113 for travel for one half of one month.		
<u>Telephone</u>		
Installation of 6 phones @ \$215.83/phone	1,295	
Funding should be reduced by \$432 to \$863 for four phones, one phone for each of the four proposed new staff.		
Monthly Usage @ \$330 /mo x 3 mos.	990	
Should be reduced by \$825 to \$165 for one half of one month.		
Long distance charges @ \$120/mo. x 3 mos.	<u>360</u>	
Funding should be reduced by \$300 to \$60 for one half of one month.		
Subtotal Telephone		\$2,645
Funding for Telephone should be reduced by a total of \$1,557 (\$432 installation + \$825 monthly usage + \$300 long distance) from \$2,645 to \$1,088, and the \$1,088 should be reserved pending identification of an office location for the four proposed new staff.		

		<u>Amount</u>	<u>Total</u>
<u>Materials and Supplies</u>	<u>No. of Units</u>	<u>Price/ Unit</u>	<u>Total Cost</u>
One-time costs for the purchase of office furniture for the four proposed new staff positions:			
Desks	4	\$300	\$1,200
Chairs	4	200	800
Bookshelves	4	150	600
File Cabinets	4	300	1,200
Typewriter	1	375	375
On-going:			
Routine Office Supplies			<u>1,750</u>
Subtotal Materials and Supplies			\$5,925
<u>Rental of Property</u>			
1,000 square feet @ \$1.50/sq.ft./mo. x 2 months			3,000

The DPH proposes to locate a total of 14 Proposition 99 staff (10 previously approved positions and the 4 proposed in this supplemental appropriation) together, at a site yet to be determined. The Board of Supervisors has previously approved \$21,000 for 3,000 square feet of office space at \$1.40/ sq. ft./month for 5 months for the 10 previously approved positions. The \$21,000 previously approved funds for rent were placed on reserve pending identification of the space to be rented and the rental rate.

The DPH is now requesting \$3,000 for the balance of 1,000 square feet (total need of 4,000 sq. ft. less 3,000 sq. ft. for which funding has already been approved) needed for the health education program at a rental rate of \$1.50/sq.ft./month for 2 months. The proposed \$3,000 funding for rent should be reduced by \$2,300 to \$700 for \$1.40/sq.ft./mo. for 1,000 square feet for one half of one month, and placed on reserve pending identification of the space to be rented and the actual rental rate.

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Amount      Total

Data and Word Processing Equipment

Computer hardware and software as required by the State to perform program evaluations.

	No. of <u>Units</u>	Price/ <u>Unit</u>	Total <u>Cost</u>
Compaq PC	3	\$2,600	\$7,800
Math Co-processor	3	290	870
VGA color monitor	3	450	1,350
Printer and accessories	1	2,445	2,445
Modem	1	250	250
Software			1,774
Sales Tax			<u>978</u>

Subtotal Data and Word Processing Equipment      \$15,467

The Electronic Information Processing Steering Committee has not yet approved the proposed purchase of computer equipment. Therefore, the proposed amount of \$15,467 for Data and Word Processing Equipment should be reserved.

**Total Supplemental Appropriation      \$57,575**

**Comments:**

1. As noted earlier, the Board of Supervisors has previously approved a Supplemental Appropriation of Proposition 99 monies in the amount of \$250,212 for the creation of ten positions for the implementation of the CHIP program. One of the ten positions approved is a 2992 Contract Compliance Officer I which, as originally planned, would be responsible for the administration of a total of an estimated 23 to 45 contracts with private hospitals, private physicians, and health education providers for the Proposition 99 programs. However, the DPH has since decided to contract with one fiscal intermediary, who would then handle the individual contracts with the private hospitals and the private physicians. Therefore, the workload of the previously approved 2992 Contract Compliance Officer I has been reduced to management of one major contract with the fiscal intermediary and an estimated 15 to 25 contracts with the health education providers, which are the same 15 to 25 health education contracts assigned to the proposed 1844 Senior Management Assistant in this supplemental appropriation (File 101-89-128).

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Based on this analysis, the Budget Analyst has inquired whether the work to be performed by the proposed one new 1844 Senior Management Assistant can be accomplished by the existing 2992 Contract Compliance Officer I, and whether the 1844 Senior Management Assistant should be deleted from this request. Mr. Leong states that, in addition to the one major contract with the fiscal intermediary, the 2992 Contract Compliance Officer will also be responsible for one major data processing contract and potentially ten capital outlay contracts. Additionally, Mr. Leong states that, due to the short time frame in which the CHIP and health education programs need to be established, the proposed 1844 Senior Management Assistant is needed to enable DPH to deliver the services on a timely basis.

Ms. Geri Brown of DPH's Contracts Administration Section states that the DPH requires the proposed new 1844 Senior Management Assistant because of the short time frame in which the services need to be performed, and the additional duties required to administer the Proposition 99 contracts which are not required for other DPH contracts, such as administration of the request for proposal process and meetings with hospital and physician groups. As a comparison, Ms. Brown indicates that the existing DPH contracts administration staff has a workload of 40 standard contracts per staff and a backlog of approximately 16 weeks. Ms. Brown indicates that the State guidelines for the Proposition 99 programs do not allow for any delay in establishing the contracts.

The Budget Analyst has obtained a schedule of contracts and request for proposal deadlines for the CHIP and Health Education programs. Based on a review of the timing of the contract development and the requests for proposals, the Budget Analyst has determined that a full-time 1844 Sr. Management Assistant is warranted through February, 1991. Beyond this time, the work will involve contracts monitoring which could be handled by the previously approved 2992 Contract Compliance Officer I, who will also have completed the time-consuming contract negotiations and will be involved with contracts monitoring. Ms. Brown states that the DPH would have difficulty recruiting someone to work for only nine months (June, 1990 through February, 1991) and that the 1844 Senior Management Assistant should be funded through June 30, 1991, with renewal of the position for FY 1991-92 contingent on the DPH's justifications. However, the Budget Analyst recommends that, in addition to the proposed funding for the remainder of this fiscal year, funding for the proposed one new 1844 Senior Management Assistant position in the FY 1990-91

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budget should be limited to fund that position for eight months, from July 1, 1990 through February 28, 1991, and that the position, which is already proposed to be designated as an "L" (limited funding) position, should be terminated on February 28, 1991.

2. Mr. Leong indicates that the DPH is requesting the four new positions at this time rather than in their the FY 1990-91 budget, in order to enable the DPH to comply with State time guidelines for implementing the health education services. The Health Education program services which are to be completed by December 31, 1990, include identifying and assessing the target populations, developing requests for proposals for the community providers, selecting and contracting with the providers, providing tobacco use prevention and cessation education to 11 target populations, provision of information and outreach services and design and implementation of evaluation procedures.

3. Also, as noted above, the proposed Supplemental Appropriation Ordinance would fund the four proposed new positions for the period from May 7, 1990 through June 30, 1990. However, the earliest that the positions could be filled is June 12, 1990. Therefore, the proposed funding for permanent salaries should be reduced by \$15,128 from \$23,272 to \$8,144 for 1.4 biweekly pay periods for four positions from June 12, 1990 through June 30, 1990. Related Mandatory Fringe Benefits should also be reduced accordingly.

4. Based on the delay in hiring the proposed staff and the Budget Analyst's analysis regarding Travel, Telephone, Rental of Property and Data and Word Processing Equipment, the proposed supplemental appropriation should be reduced by \$23,962 from \$57,575 to \$33,613, and reserving \$17,255, to fund four new positions and operating expenses for the period June 12, 1990 through June 30, 1990, as follows:

	<u>Requested Amount</u>	<u>Recommended Amount</u>	<u>Savings</u>
Permanent Salaries			
2825 Sr. Health Educator	\$7,524	\$2,633	\$4,891
2822 Health Educator	6,232	2,181	4,051
1844 Sr. Management Assistant	5,744	2,010	3,734
1446 Secretary II	<u>3,772</u>	<u>1,320</u>	<u>2,452</u>
Subtotal Permanent Salaries	<u>23,272</u>	<u>8,144</u>	<u>15,128</u>
Mandatory Fringe Benefits (MFB)			
Retirement	3,491	1,222	2,269
Social Security	1,780	623	1,157
Health Services	1,723	315	1,408
Unemployment	<u>47</u>	<u>16</u>	<u>31</u>
Subtotal MFB	<u>7,041</u>	<u>2,176</u>	<u>4,865</u>
Travel	225	113	112
Telephone	2,645	1,088 *	1,557
Materials and Supplies	5,925	5,925	0
Rental of Property	3,000	700 *	2,300
DP/WP Equipment	<u>15,467</u>	<u>15,467</u> *	<u>0</u>
Subtotal	<u>27,262</u>	<u>23,293</u>	<u>3,969</u>
Total	<u>\$57,575</u>	<u>\$33,613</u>	<u>\$23,962</u>

\* Amount to be reserved, total of \$17,255.

5. Mr. Jeff Leong of the DPH reports that the State requires the Health Commission and the Board of Supervisors to approve a resolution approving the DPH Proposition 99 - Tobacco Tax Health Education (Tobacco Control) Program Plan and Budget and a resolution authorizing the DPH to apply for, accept and expend the \$1,603,952 in Proposition 99 Health Education (Tobacco Control) program monies before the DPH may request a Supplemental Appropriation to expend the monies. The Finance Committee is currently reviewing those two proposed resolutions (Items 3 and 4, Files 146-90-34 and 221-90-1, respectively, of this report).

**Recommendation:** 1. Approve the proposed Annual Salary Ordinance amendment (File 102-89-47) and direct a letter to the Controller to limit the tenure of the proposed one new 1844 Senior Management Assistant position to February 28, 1991, and the proposed one 2825 Sr. Health Educator, one 2822 Health Educator and one 1446 Secretary II to be limited to the availability of AB 75 monies.

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Memo to Finance Committee  
May 30, 1990

2. Amend the proposed Supplemental Appropriation Ordinance (File 101-89-128) to reduce the amount by \$23,962 from \$57,575 to \$33,613 and reserve \$17,255, as detailed in Comment 4 above, and as explained in the Analysis section above, and approve as amended.

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Item 7 - File 86-90-1

**Note:** This item was continued from the Finance Committee meeting of April 11, 1990, pending submission by the Recreation and Park Department of a revised budget. The Recreation and Park Department has prepared an Amendment of the Whole which reflects the revised budget and additional provisions pertaining to the authority to apply for, accept and expend a State grant and interest earned on the County Fair Funds account. The following report is based on the Amendment of the Whole.

**Department:** Recreation and Park Department (RPD)

**Item:** Resolution authorizing a San Francisco County Fair in 1990 in the San Francisco County Fair Building in Golden Gate Park, approving the budget for the Fair, authorizing the Recreation and Park Commission to apply for, accept and expend a State grant, authorizing the Recreation and Park Commission to approve the premium (award) schedule and authorizing the interest earned on the Fair Funds to be kept in the County Fair Funds account rather than accrue to the General Fund.

**Amount of Grant:** \$85,000

**Source of Grant:** State Department of Food and Agriculture Division of Fairs and Exhibitions

**Grant Period:** January 1, 1990 through December 31, 1990

**Description:** The proposed grant would partially fund the 1990 San Francisco County Fair. The County Fair is held annually for the purpose of exhibiting and advertising the agriculture and horticultural products of the City. In 1990, the RPD proposes to expand the County Fair's traditional "Flower Show" theme to include attractions and activities for families and youths. In addition to the Flower Show exhibits and contests, the Fair would offer youth arts, crafts and science exhibits and contests.

In addition to authorizing the grant application, the proposed resolution would approve the 1990 County Fair budget, which is described below, and would authorize the interest earned in the County Fair Fund account to be kept in the County Fair Fund account. Currently, the earned interest, which the RPD estimates to be approximately \$3,000 to \$4,000 per year, is deposited to the General Fund.

**Project Budget:**

As a result of the proposed expanded activities, the proposed budget for the 1990 Fair would increase by \$81,100 from \$153,250 in 1989 to \$234,350 in 1990. The proposed budget as prepared by the RPD is attached (Attachment 1).

The proposed expenditures would not require any General Fund support and would be financed from the following sources of revenue:

Fair and Flower Show Fund Balance as of 1/1/90	\$53,742
Estimated Revenues	
Admission Fees	\$130,000
Rental of Commercial Booths	20,000
Private Donations	11,000
Proposed State Grant	<u>85,000</u>
Subtotal Estimated Revenues	<u>246,000</u>
Total Resources	\$299,742
Less Total Proposed 1990 Expenditures	<u>\$(234,350)</u>
Estimated Fund Balance as of 12/31/90	\$65,392

**Comment:**

1. On May 14, 1990, the Board of Supervisors approved a resolution authorizing an agreement for the Friends of Recreation and Parks to manage the Fair (File 86-90-2). In the agreement, the Friends of Recreation and Parks agrees to manage the Fair within the County Fair budget, which is the subject of this report.

2. As previously noted, the proposed resolution would, for the first time, authorize the interest earned in the County Fair Fund account to remain in the County Fair Fund account and would thereby reduce the amount of General Fund monies by approximately \$3,000 to \$4,000 annually. The Budget Analyst recommends against the proposed reduction in General Fund monies and recommends that this clause be severed from the legislation. As shown above, the County Fair Fund account has a fund balance of \$53,742 as of January 1, 1990 and is projected to have a fund balance of \$65,392 as of December 31, 1990, without retaining any interest income.

3. The RPD has prepared a Summary of Grant Request, which is attached (Attachment 2).

Memo to Finance Committee  
May 30, 1990

**Recommendation:** Amend the proposed resolution by severing the clause to authorize the interest earned in the County Fair Fund account to remain in the County Fair Fund account, and approve as amended. Our recommendation is consistent with previous years' Board of Supervisors actions to enable the interest income to accrue to the General Fund.

1990 COUNTY FAIR AND FLOWER SHOW BUDGET

	1989 Budget Requests	1990 Proposed Budget	Increase (Decrease)
<b>ADMINISTRATION</b>			
Salaries and Wages - Perm. Emp.	\$15,200	\$28,000	\$12,800
Salaries and Wages - Temp. Emp.	\$1,000	\$3,000	2,000
Employee Benefits	0	\$9,400	9,400
- Employer Share			
Professional (Contractural)	0	\$2,000	2,000
Traveling Expense - Employees	\$2,250	\$1,500	(750)
Office Supplies & Expense	\$1,200	\$4,000	2,800
Telephone & Postage	\$1,000	\$3,000	2,000
Dues & Subscriptions	\$850	\$850	0
Insurance	\$2,900	\$2,900	(900)
<b>TOTAL</b>	<b>\$ 24,400</b>	<b>\$ 53,750</b>	<b>\$29,350</b>
<b>MAINTENANCE AND GENERAL OPERATIONS</b>			
Salaries and Wages/Temp Emp.	\$1,250	\$8,000	\$6,750
Rental/Maintenance Equipment	\$4,000	\$1,000	(\$3,000)
Rental/Public Address & Intercom	\$200	\$200	0
Temp. Electrical Work (Contract)	\$300	\$300	0
Trash Removal, Clean up (Fairtime)	\$900	\$2,000	1,100
<b>TOTAL</b>	<b>\$6,650</b>	<b>\$11,500</b>	<b>\$4,850</b>
<b>PUBLICITY</b>			
Prof. Services (Contract)	\$7,200	\$6,000	(\$1,200)
Supplies & Expense	\$1,000	\$3,000	2,000
Advertising	\$12,000	\$45,000	33,000
Promotional Expense	\$3,000	\$2,500	(500)
Public Relations Expense	\$0	\$2,000	2,000
<b>TOTAL</b>	<b>\$23,200</b>	<b>\$58,500</b>	<b>\$35,300</b>
<b>ATTENDANCE OPERATIONS</b>			
Salaries & Wages	\$8,700	\$9,000	\$300
Prof. Services (Contract)	\$0	\$4,000	4,000
Supplies & Expense	\$0	\$1,000	1,000
<b>TOTAL</b>	<b>\$8,700</b>	<b>\$14,000</b>	<b>\$5,300</b>
<b>PREMIUMS</b>			
Eligible Premiums - Cash	\$11,200	\$13,100	\$1,900
Eligible Premiums	\$2,100	\$2,100	0
Other (Explain) (Complimentary)	\$1,200	\$1,000	(200)
<b>TOTAL</b>	<b>\$14,500</b>	<b>\$16,200</b>	<b>\$1,700</b>
<b>EXHIBITS EXPENSE (Excluding Premiums)</b>			
Salaries & Wages	\$33,450	\$5,000	(\$28,450)
Prof. Services - (Contract)	\$1,800	\$2,000	\$200
Department Heads	\$6,650	\$3,000	(3,650)
Supplies & Expense	\$15,100	\$3,000	(12,100)
Tent & Booth Rental	\$3,500	\$15,000	11,500
Decorations	\$9,850	\$5,000	(4,850)
Other (explain)	\$3,000	\$0	(3,000)
<b>TOTAL</b>	<b>\$73,350</b>	<b>\$33,000</b>	<b>(\$40,350)</b>



1990 COUNTY FAIR AND FLOWER SHOW BUDGET CON'T

	<u>1989 Budget Requests</u>	<u>1990 Proposed Budget</u>	<u>Increase (Decrease)</u>
<u>ATTRACTIONS (Fairtime)</u>			
Salaries & Wages	\$0	\$2,000	\$2,000
Prof. Services (Contract)	\$0	\$15,000	15,000
Supplies & Expense	\$0	\$3,000	3,000
Ground Acts	\$0	\$10,000	10,000
Acts, Entertainers & Shows	\$0	12,000	12,000
Professional Acts	\$0	\$3,000	3,000
TOTAL	\$0	\$45,000	\$45,000
Equipment	\$2,450	\$2,400	(\$50)
TOTAL REQUEST	\$153,250	\$234,350	\$81,100

## Attachment 2

Item No. \_\_\_\_\_

Summary of Grant Request

Grantor Division of Fairs & Expositions Division \_\_\_\_\_  
 Contact Person Dave Terrill Section \_\_\_\_\_  
 Address 101 Hurley Way Suite 100 Contact Ethan Hirsch  
Sacramento, CA 95825 Telephone 415 - 221-8119  
 Amount Requested \$85,000 Application Deadline \_\_\_\_\_  
 Term From 1/1/90 To 12/31/90 Notification Expected \_\_\_\_\_  
 Recreation & Park Commission \_\_\_\_\_

Board of Supervisors: Finance Committee \_\_\_\_\_ Full Board \_\_\_\_\_

I. Item Description:

Request to (apply for) (accept and expend) a ~~(new)~~ <sup>continuation</sup> ~~(continuation)~~ <sup>(allocation)</sup> ~~(allocation)~~ grant in the amount of \$85,000 from the period of 1/1/90 to 12/31/90 to provide a county fair for the city and county of S.F. services.

II. Summary:III. Outcome/Objectives:

To operate a County Fair under the guidelines of the state under the Department of Food and Agriculture.

IV. Effects of Reduction or Termination of these Funds:

Termination of these funds would mean termination of a County Fair.

V. Financial Information:

	Col. A. 2 Years Ago	Col. B. Past Yr./Orig.	Col. C. Proposed	Col. D. Change	Req. Match	Appr. by
Grant Amount	\$107,170	\$81,000	\$85,000	3,300	0	N/A
Personnel	38,000	59,000	53,000	-6,600	0	N/A
Equipment	2,300	2,400	2,400	0	0	N/A
Contract Svc.	2,700	9,000	29,000	20,000	0	N/A
Mat. & Supp.	63,270	10,700	600	-10,000	0	N/A
Fac. & Space						
Other						
Indirect Costs						

VI. Data Processing:VII. Personnel

	N/A	N/A	N/A	N/A	N/A
F/T CSC					
P/T CSC					
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

NONE

Will grant funded employees be retained after this grant terminates? If so, How?  
Employees are not civil employees.

VIII. Contractual Services: Open Bid \_\_\_\_\_ Sole Sources x \_\_\_\_\_

Item 8 - File 101-89-136

**Department:** Fire Department

**Item:** Supplemental Appropriation Ordinance to increase the 1989-90 budget for Extended Work Week (overtime pay for Firefighters and Officers) by \$2,184,565 and for Permanent Salaries - Uniform by \$352,380 (totalling \$2,536,945).

**Amount:** \$2,536,945

**Source of Funds:** Reappropriation of 1989-90 Fire Department budget, Public Safety Reserve and General Reserve as follows:

Permanent Salaries - Miscellaneous	\$100,000
Mandatory Fringe Benefits (Retirement)	900,000
Public Safety Reserve	120,646
General Fund - General Reserve	<u>1,416,299</u>
Total Reappropriation	\$2,536,945

**Description:** The Fire Department must have all Engine and Truck Companies fully staffed at all times. Full staffing consists of one Officer and three Firefighters for the engine companies and one Officer and four Firefighters for the truck companies. Therefore, when Firefighters or Officers are absent, other Firefighters, and Officers must work overtime in order to maintain full staffing. In fiscal year 1988-89, full staffing required a complement of 315 Firefighters and Officers to fully staff all Engine and Truck Companies at all times. For fiscal year 1989-90, the Mayor's Office reduced the staffing requirement of Truck Companies that resulted in a total reduction in the full staffing complement by 18 from 315 to 297. However, although the 1989-90 budget for EWW was based on the staffing reduction becoming effective on July 1, 1989, the reduction did not occur until August 1, 1989. This delay resulted in an additional overtime cost of approximately \$290,000 that was not included in the 1989-90 budget.

The Fire Department initiated their supplemental appropriation request in March, 1990, at which time an analysis of their actual expenditures through March 2, 1990, produced a projected EWW budget deficiency of \$2,184,565. However, our analysis of the Fire Department's EWW account, using more current expenditure data through May 11, 1990, results in a projected budget deficiency of \$2,776,182. The projected budget deficiency, based on actual expenditures through March 2, 1990, and May 11, 1990, are as follows:

	3/2/90 Actual Expenditure Base	5/11/90 Actual Expenditure Base
Actual Expenditures to Date	\$7,135,711	\$8,786,923
Estimated Expenditures for Balance of Fiscal Year	<u>3,902,774</u>	<u>1,696,800</u>
Total Estimated EWW Expendi- tures for Fiscal Year 1989-90	<u>\$11,038,485</u>	<u>\$10,483,723</u>
Less EWW Budget:		
Original Appropriation*	\$4,658,981	\$4,707,541
Supplemental Appropriations **	3,000,000	3,000,000
Administrative Transfers ***	<u>1,194,939</u>	<u>0</u>
Total EWW Budget	<u>\$8,853,920</u>	<u>\$7,707,541</u>
Projected EWW Budget Deficiency	\$2,184,565	\$2,776,182

\* Includes supplemental appropriations to effect Salary Standardization.

\*\* The Board of Supervisors previously approved a Supplemental Appropriation (File 101-89-76) to reappropriate \$3,000,000 from projected surpluses in the Fire Department's Uniform Salary and Fringe Benefit accounts.

\*\*\* The Board of Supervisors previously approved legislation giving the Fire Department the authority to administratively transfer funds between their various salary accounts.

In addition to the original projected deficiency of \$2,184,565 to EWW, the proposed supplemental appropriation ordinance would appropriate \$352,380 to Permanent Salaries-Uniform to pay lump sum payments of sick leave/vacation to 15 retirees from the Fire Department, for a total request of \$2,536,945. The Fire Department reports that, on average, 50 Firefighters or Officers retire annually but approximately 65 are expected to retire in 1989-90. The Fire Department's budget for 1989-90 includes funding based on 50 retirees but the 15 additional retirees at an average lump sum payment of \$23,492 would require supplemental funding of \$352,380.

**Comments:**

1. The Fire Department reports that the Federal Emergency Management Agency (FEMA) will reimburse some of the extraordinary EWW expense incurred as a result of the October 17 earthquake but the amount of that reimbursement is not known at this time. The Fire Department incurred approximately \$400,000 in EWW expenses due to the earthquake.

2. When Firefighters or Officers are absent from work, other Firefighters and Officers must fill in for them. Consequently, more EWW (overtime pay) is spent and a correspondingly lesser amount of Permanent Salaries - Uniform and Mandatory Fringe Benefits is spent. Large amounts of EWW, instead of regular salaries and fringe benefits, have been needed because the absenteeism rate was increasing and because the Fire Department is still not fully staffed due to the court-imposed freeze on hiring several years ago. As a result of the consent decree, the freeze is no longer in effect and the Fire Department has begun hiring new Firefighters.

3. The Budget Analyst's budget deficiency projection based on more current actual expenditure data results in a projected EWW budget deficiency of \$2,776,182 or \$591,617 more than the \$2,184,565 requested in the proposed supplemental appropriation ordinance. As noted in Comment 1 above, approximately \$400,000 of this deficiency is due to earthquake costs that have not yet been reimbursed by FEMA.

**Recommendation:** Approve the proposed ordinance.



Item 9 -File 101-89-137

**Department:** Department of Public Works (DPW)  
Clean Water Program (CWP)

**Item:** Supplemental Appropriation Ordinance to provide funds for a professional and special services contract to develop a water reclamation work plan for the Wastewater Reclamation Program.

**Amount:** \$125,000

**Source of Funds:** Clean Water Operating Fund, Unreserved Fund Balance

**Description:** The Department of Public Works (DPW) and the San Francisco Water Department (SFWD) are developing a program to assess the potential for augmenting or conserving Hetch Hetchy and local water supplies with alternative water sources. Initially, attention will focus on wastewater reclamation and the City's ground water supplies. The Clean Water Program advises that a strong potential exists for reclaimed sewage effluent to serve as a significant water supply source for non-potable uses in San Francisco. Such reclaimed water could be used for irrigation of parks, cemeteries, golf courses, industrial uses and augmentation of the Fire Department's Auxiliary Water Supply System. Further, reclaimed water could be used to supplement the ground water supply to Lake Merced, whose water level has gradually declined in recent years.

The State Clean Water and Water Reclamation Bond Law of 1988 (Proposition 83) will provide \$30 million in loans funds for design and construction work related to water reclamation treatment and transport facilities. These loans can be obtained with substantial savings to the City at half the General Obligation bond rate, and with a 20 year pay-back period. As part of the proposed reclamation program, funding for facility construction would be sought from the loan funds generated by Proposition 83 so that the City would be able to borrow funds at the lower interest rate which would be one-half the on-going interest rate for General Obligation bonds at the time such loans funds generated by Proposition 83 are sought.

CWP has proposed the development of a Water Reclamation Work Plan with these objectives:



To develop reclamation programs and facilities that can be implemented immediately and in the near future.

To develop a reclamation program for San Francisco to maximize the use of high-quality effluent from the City's wastewater treatment plants.

To develop a comprehensive program to optimize surface, reclaimed and ground water supplies.

To develop a contingency plan to maximize the City's total water supply in the event of drought conditions or natural disaster.

To provide the basis for an environmental review and engineering analysis.

The benefits of such a plan would (1) determine reclamation projects that could provide immediate and near-term uses of water, (2) put in place a long-term program for reclaimed water, thus conserving Hetch Hetchy water supplies for the highest uses and to augment existing water supplies, (3) identify reclaimed water sources to augment existing water supplies during drought conditions or in case of a natural disaster, and (4) demonstrate a strong commitment of efficient use of existing water supplies.

A total of \$300,000 is currently proposed to fund a wastewater reclamation program development budget from the following sources:

<u>Department</u>	<u>Amount</u>
San Francisco Water Department	\$ 50,000
Hetch Hetchy Power	125,000
DPW Clean Water Program (CWP) *	<u>125,000</u>
Total	\$300,000

\* Subject of this legislation

The development of a Water Reclamation Work Plan would identify immediate options, near-term options, long-term program objectives and a conjunctive use program as described below:

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



**Immediate options:**

Assess projects that could immediately use secondary effluent from the Southeast Treatment Plant. These might include the Fire Department's Auxiliary Water Supply System, in-plant use, street cleaning, and limited truck watering of median strips.

Assess additional treatment or distribution requirements, such as tie-ins to the Auxiliary Water Supply System.

Determine implementation plans.

**Near-term options:**

Assess the demand for reclaimed water. Potential use areas include parks, golf courses, cemeteries, and the San Francisco Zoo.

Determine the costs of additional treatment required for the identified uses for effluent from the Southeast secondary and Richmond-Sunset primary water pollution control plants. Assess water quality issues including salinity and seasonal variation in water quality.

Determine required physical facilities and operational constraints, such as additional treatment facilities and distribution systems.

Determine implementation plan, including cost estimates, permitting requirements and regulatory controls.

**Long-Term Reclamation Program:**

Identify all potential use areas, such as Lake Merced, San Francisco Zoo, Golden Gate Park and other parks, golf courses, cemeteries, and the proposed Mission Bay development and assess quantities of water required.

Assess water quality requirements for intended uses.

Assess the costs of treatment and distribution for potential use areas.

Provide preliminary facilities planning including requirements for treatment, pumping, transmission and storage, and cost estimates/funding.

Determine required controls (State of California criteria) and permitting requirements (San Francisco Bay Regional Water Quality Control Board).

Identify industrial and other customers for marketing of reclaimed water.

Determine work scope for site-specific facilities planning and environmental analysis.

Establish an inter-departmental task force to provide input during program planning and development.

### **Conjunctive Use Program:**

Conjunctive (connecting) use is the recharging of ground water aquifers (geological formation containing or conducting ground water) with surface water for storage and extraction. This element of the reclamation plan would develop a program to investigate the potential for conjunctive use of reclaimed water, ground water, and perhaps Hetch Hetchy water supplies, with the highest quality water devoted to the highest uses. This could serve multiple purposes, such as augmenting ground water supplies, storage and transport.

**Project Budget:** The proposed total budget for the development of a Water Reclamation Work Plan totalling \$300,000 of which \$125,000 is the subject of this legislation is as follows:

<u>Description</u>	<u>Amount</u>
Consultant Services:	
J. M. Montgomery Consultants	
Staff Time (7,528 hrs @ \$28.03/hr)	\$211,018
Travel	3,200
Equipment, material and supplies	<u>14,610</u>
Subtotal	\$228,828

**BOARD OF SUPERVISORS**  
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Subconsultants	
Geo/Resources (Hydrology and Ground Water) *	50,000
Nelson/Nygaard (Traffic Impacts) *	5,000
Naomi Gray (Public Relations) *	<u>3,000</u>
Subtotal	58,000

Departmental Costs:

Clean Water Program Project Administration	<u>13,172</u>
Total	\$300,000

\* The consultant and subconsultants are still negotiating the hourly rates and number of hours for the work to be performed by the subconsultants.

**Comments:**

1. The consultant services are needed to study the potential for water reclamation so that the City can begin reuse of these high quality effluents. The consultants will establish evaluation criteria, identify potential users, define the regulatory requirements, compare the quantity of reclaimed water versus quality, define the treatment and distribution requirements, and screen and identify recommended projects. The consultants' work is expected to take approximately 18 months to complete. However, depending upon needs and constraints, some emergency re-use projects could be initiated within three to six months.

2. According to Ms. Christine Morioka of the Public Utilities Commission (PUC), Hetch Hetchy funds totalling \$125,000 from the Resource Plan Project and Water Department funds totalling \$50,000 from the Water Conservation Program which total \$175,000 have already been transferred to CWP to supplement the subject \$125,000 under this legislation.

3. Ms. Karen Kubick of CWP advises that approximately 25 firms were invited to bid on the proposed consultant work based on an RFP developed by CWP. Of the two firms submitting bids for the RFP, the firm of J. M. Montgomery, which is neither a MBE nor WBE firm, provided a higher percentage of MBE/WBE participation which is through its subconsultants. All subconsultants qualify under the City's MBE/WBE provisions. The subconsultant Geo/Resources (\$50,000) qualifies as a MBE, the subconsultant Nelson/Nygaard (\$5,000) qualifies as a WBE and the subconsultant Naomi Gray (\$3,000) qualifies as a MBE/WBE. These subconsultant contracts total \$58,000.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Memo to Finance Committee  
May 30, 1990

**Recommendation:** Approve the proposed Supplemental Appropriation Ordinance and reserve \$58,000 pending determination of professional rates and the estimated number of hours for the subconsultants.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Item 10 - File 127-89-7

**Note:** This item was continued to the call of the Chair at the December 13, 1989 meeting of the Finance Committee.

1. The proposed draft ordinance would amend Part III, Article 3 of the San Francisco Municipal Code (Revenue/Business Regulations) by adding Section 251.1 to require individuals or businesses that rent out a room or other enclosed space to transient merchants to notify the Tax Collector of the renting. A transient merchant is any person or firm that engages in a temporary business in San Francisco of selling merchandise, other than food or food products, and that rents a hall in a hotel or other enclosed space to exhibit and sell the merchandise. The proposed ordinance would require notification to the Tax Collector within ten days before the transient merchant exhibits and sells merchandise from that space. The proposed ordinance would also provide that individuals or businesses found in violation of the proposed provision would be subject to a civil penalty, payable to the Tax Collector, of 25 percent of the merchant's gross sales or \$500, whichever is greater.

2. Part III, Article 3 of the Municipal Code currently requires transient merchants operating in the City to obtain a license from the Tax Collector. The license is issued on a quarterly basis and costs a minimum quarterly fee of \$500 plus ten percent of gross receipts in excess of \$5,000 from sales made during the quarter. The transient merchant is also required to file a \$5,000 bond with the Tax Collector before a license may be issued. Violation of these provisions are punishable by a fine of up to \$500 and up to six months in jail.

3. The proposed ordinance would pertain to the person or business renting out space to a transient merchant, rather than the transient merchant. According to Ms. Anita Jin of the Tax Collector's Office, the existing transient merchant provisions are difficult to enforce because transient merchants oftentimes come from out of State, sell merchandise for one weekend, and then leave the State, without obtaining a transient merchant license. Ms. Jin indicates that the Tax Collector's Office cannot determine the amount of sales by transient merchants that occur without the proper license. Ms. Jin states that the proposed ordinance would assist the City in enforcing the transient merchant licensing requirements, and therefore should result in increased revenues to the City through the collection of additional license fees. According to Ms. Jin, the additional costs to administer the proposed ordinance and the resulting additional revenues to be collected from license fees are indeterminable at this time and would depend on the number of transient merchant sales that would be reported.

4. Ms. Jin reports that in FY 1988-89, the Tax Collector collected approximately \$1,500 from transient merchant license fees.

5. According to Mr. Richard Sullivan of the Tax Collector's Office, the proposed legislation, if approved, should include a provision authorizing the Tax Collector to develop the rules and regulations needed to implement and enforce the proposed ordinance. Mr. Sullivan indicates that the Tax Collector's Office would notify businesses of the new law, if approved, by sending notices to the Convention and Visitor's Bureau and to hotel operators listed on the Tax Collector's hotel tax rolls, as well as other methods. Mr. Sullivan indicates that the proposed ordinance would be difficult to enforce, because it would rely on the efforts of the hotel operators and other businesses to determine whether individuals renting rooms were selling merchandise from the rooms.

### **Recommendations**

1. Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

2. Should the Board of Supervisors approve the proposed ordinance, amend the legislation to authorize the Tax Collector to develop the rules and regulations needed to implement and enforce the proposed ordinance and approve as amended.



Items 11 through 16 - Files 142-90-1, 142-90-1.1, 142-90-2, 142-90-2.1, 142-90-3,  
and 142-90-3.1

1. The six proposed resolutions all relate to the Public Utilities Commission's (PUC) proposed revised schedule of rates for water supplied to City and suburban retail customers (items 11 and 12; files 142-90-1 and 142-90-1.1); for water supplied to suburban resale customers (items 13 and 14; files 142-90-2 and 142-90-2.1); and for the schedule of rates to be charged for water use in excess of allotment and flow restricting installations (items 15 and 16; files 142-90-3 and 142-90-3.1). Water rate increases last occurred in 1988, when water rationing was last imposed. At that time, rates for all customers increased by 15%. That rate increase and rationing provisions expired in 1989 due to a sunset clause in the legislation. In 1989, the PUC then submitted adopted rate schedules that called for preservation of the 15% increase and elimination of the excess use charges. That legislation was approved by the Board of Supervisors. However, fund balance projections for the current, 1989-90 fiscal year resulted in a minimal year-end surplus, indicating that another rate increase would soon be justified.

This current proposed legislation includes the PUC's adopted water rates providing for a 14% increase for City and suburban retail customers and 27.6% for suburban resale customers (see Attachment 1 for effect of this rate increase on average monthly costs to rate payers).

2. There are two resolutions for each proposed rate schedule described above (i.e., for water supplied to City and suburban retail customers, for water supplied to suburban resale customers, and for excess usage of water over allotments and installation of flow restricting devices). The first resolution in each case, if approved, would find that adoption of the proposed rate schedule would not result in the need for a tax subsidy of the San Francisco Water Department. The second resolution in each case would disapprove the revised schedule of rates.

3. With respect to each proposed rate schedule, approval of the first resolution would make a necessary finding that no tax subsidy would be required to fund the operations, capital and reserve requirements of the SF Water Department, and disapproval of the second resolution would adopt the proposed schedule of rates. Adopting any resolution disapproving the proposed schedule of rates requires a two-thirds vote of the Board of Supervisors. The Board of Supervisors cannot alter the proposed rate schedules but can only approve or disapprove rates. Approval of any resolution disapproving a rate schedule would return the rate matter to the Public Utilities Commission for further consideration.

4. Since fiscal year 1986-87, the Water Department Enterprise Fund balance (or surplus) has steadily declined. The beginning fund balance in that year was \$27.8 million. The last water rate increase prior to that year was a 10% increase in 1984. After funding the operating, capital and debt service requirements of the Water Department, and contributing \$8.9 million of the

fund surplus to the General Fund, the fund balance was reduced to \$16.6 million for the beginning of the 1987-88 fiscal year.

During fiscal year 1987-88, revenue from City customers decreased from the prior year and were partially offset by one-time land sale revenue. Also, another transfer was made to the General Fund of the Water Department's surplus, this time in the amount of \$5.0 million. The Department ended the 1987-88 fiscal year with a fund balance of approximately \$7.2 million.

In June of 1988, rates were increased by 15% and water rationing was imposed. The Department projected an ending surplus of \$4.0 million for 1988-89. However, unanticipated revenue, in the form of another land sale in the amount of \$3.12 million and excess use charges from customers whose water usage exceeded their allotments in the amount of approximately \$7.0 million resulted in an ending fund balance for 1988-89 of approximately \$10.8 million.

For the current 1989-90 fiscal year, the PUC adopted rates that preserved the 15% increase adopted in 1988 but without mandatory rationing and rates charged for water use in excess of allotments. A small ending fund balance of under \$1.0 million for the current year was projected at that time. However, as shown in Attachment 2 to this report (Water Department Fund Balance Projections 1989-90 and 1990-91), the Department projects that approximately \$2.6 million in 1989-90 year-end savings, closeouts and capital project deb obligations, will now be required to balance the enterprise fund.

5. The Water Fund projection would, without a rate increase in 1990-91, result in an anticipated shortfall of between \$13.5 million and \$14.7 million. To overcome this shortfall, the Department and the PUC estimate that rate increases of 53.0% and 26.9% for City and suburban retail customers would be required for 1990-91 and 1991-92 in order to fund operating costs, preserve capital replacement and end the 1991-92 fiscal year with a fund balance of approximately \$4.0 million.

6. Therefore, the PUC is recommending the issuance and sale of new revenue bonds, as permitted under the Charter with Board of Supervisors approval, in order to pay for a portion of the Water Department's capital replacement needs. Under the adopted rate schedule which would increase current rates by 14% for retail customers, the PUC assumes that the Board of Supervisors will approve a bond authorization in the amount of \$76 million. This bond authorization will be the subject of future legislation

The term of the bond sale is proposed to be 15 years. In order to retire this debt, and meet operating and capital requirements of the Water Department, the PUC also projects that regular annual rate increases will be required for each year through 1995-96. The proceeds of the proposed bond sale will be used to fund approximately \$41 million in capital projects (water main replacement and water service renewals) for the Water Department and approximately \$13 million in Hetch Hetchy repairs and improvements to the San Joaquin pipeline. The table below shows the estimated use of bond sale proceeds.



PROJECTED USE OF BOND PROCEEDS

Net Construction Fund	\$53.9	Million
Net Capitalized Interest	\$13.7	
Debt Service Reserve	7.0	
Cost of Bond Issue	0.6	
Underwriter's Discount	<u>0.8</u>	
Total	\$76.0	Million

7. As shown in the table above, the PUC proposes to use approximately \$13.7 million of the bond proceeds to fund "capitalized interest", meaning that this amount will be used to make interest payments. A \$76.0 million, 15-year debt, assuming an interest rate of 7.5% annually, would require approximately \$8.61 million annually in debt service over the term of the bond issue in order to fully retire the debt. By paying a portion of the interest from the bond proceeds, the PUC is able to decrease new debt service requirements to approximately \$2.65 million for 1990-91 and 1991-92. By doing so, the PUC is able to adopt a rate schedule that provides for a rate increase of 14% for City and suburban retail customers and anticipates future rate increases of 14% each subsequent year through 1995-96. However, the use of capitalized interest reduces the amount of funds available for construction or, alternatively, requires a larger bond issue than would be required without the need to capitalize interest payments.

8. In 1984, the Public Utilities Commission and its Suburban Resale Customers approved a settlement agreement which resolved long pending litigation between the Water Department and thirty water agencies that purchase water on a wholesale basis from the City's Water Department for resale to their retail customers. Under the agreement, cost accounting and rate setting shall be divided and based on the distinct costs of providing water services to City retail customers as opposed to "Suburban Resale" customers who purchase water on a wholesale basis. The City sets the wholesale water rates to recover all costs associated with providing water to the Suburban Customers, plus a rate of return on all debt funded assets and future revenue funded assets.

As a result of (a) the PUC-adopted rationing program, (b) lowered projected consumption and (c) the need to purchase water from sources other than Hetch Hetchy at an additional cost of over \$2.4 million for suburban resale customers, the PUC has proposed a rate increase of 27.6% for 1990-91 for suburban resale customers.

9. Under the Mandatory Rationing Program, the PUC has established water use allotments for all City and suburban retail customers. Such excess use charges are as follows:

<u>Excess Water Consumption</u>	<u>For Water Used in Excess of Allotment, the Excess Use Charge Will be</u>
up to 10% over allotment	2 times unit rate
10 - 20% over allotment	8 times unit rate
20.01% or more over allotment	10 times unit rate

Also, in the event water is used in excess of the specified allotment, the Water Department may, after one warning, install a flow restricting device on the customer service line. The charge to install and remove the device shall be as follows:

<u>Meter Size</u>	<u>Installation/Removal Cost</u>
5/8 " to 1"	\$ 66.75
1-1/2" to 2"	133.50
3" and larger	Actual Cost

Also, the Water Department may discontinue water service altogether in the event continued water consumption in excess of allotment occurs. A charge of \$21.00 must be paid by the customer prior to reactivation of service.

## Comments

1. The PUC considered the alternatives of remaining on a "cash basis" for Water Department funding needs or issuing revenue bonds to satisfy short term capital needs of the Water Department and Hetch Hetchy. However, as noted previously, estimates of rate increase requirements to remain on a cash basis resulted in projected rate increases of 53% in 1990-91 and 26.9% in 1991-92 for City and suburban retail customers. The PUC policy decision to sustain lower rate increases each year through 1995-96 (rate increases of 14% for City and suburban retail customers) through the use of bond funding, resulted in the avoidance of sudden large water rate increases.

2. The PUC also considered alternatives concerning the term of the bond issue. Initial estimates of rate increase requirements to support the needs of the Department and fund debt service for the new bond issue showed the need for rate increases of 12.0% annually if the bond issue was for a 30 year period. However, the PUC adopted a shorter term of 15 years in order to decrease the total debt service requirement in consideration of subsequent future large capital improvement needs anticipated for the Water Department and Hetch Hetchy. The table

below illustrates the differences between the 15 year bonds and 30 year bonds.

ANNUAL DEBT SERVICE ALTERNATIVES : SALE OF \$76 MILLION IN REVENUE BONDS

15 YEAR BONDS

Approximate Annual Debt Service Requirements	\$8.61 million
Total Debt Service over 15 years	\$129.1 million

30 YEAR BONDS

Approximate Annual Debt Service Requirements	\$ 6.435 million
Total Debt Service over 30 years	\$ 193 million

3. The table on the following page provides comparisons of the 15 year bond financing assumption with 30 year bonding and remaining on a cash basis over a seven-year period using the PUC and Water Departments projected rate increases for each option.

The table shows that, after seven years, remaining on a cash basis results in lower rates for Water Department retail customers. However, total costs and average monthly costs to retail customers over that period would be highest under the cash basis.

This analysis shows that, between the 15-year and 30-year bonding alternatives, the 30-year amortization of the debt would appear preferable. The 30-year option would result in lower rates after seven years and lower total costs to retail customers over the same period.

ANALYSIS OF WATER RATE OPTIONS

<u>15 Year</u>	<u>Current</u> <u>Unit Rate**</u>	<u>Rate</u> <u>Increase over</u> <u>7 Years</u>	<u>Unit Rate &amp; average</u> <u>\$/month after</u> <u>7 Years</u>	<u>Cost over</u> <u>7 Years</u>	<u>Average cost per</u> <u>month over</u> <u>7 Years</u>
<u>Bonding</u> *	\$0.587	14.0% per year through 1995-96	\$1.289		
Average single family residence			\$12.76	\$832	\$9.90
Large Apartment Bldg.			\$783	\$51,049	\$607
Hospital			\$5,205	\$339,329	\$4,040
Hotel			\$10,281	\$670,264	\$7,980

\* Option Adopted by Public Utilities Commission in  
Proposed Water Rate Legislation

\*\* Cost per 100 cubic feet (748 gallons).

<u>30 Year</u> <u>Bonding</u>	\$0.587	12.0% per year through 1995-96	\$1.158		
Average single family residence			\$11.46	\$771	\$9.18
Large Apartment Bldg.			\$703	\$47,309	\$563
Hospital			\$4,676	\$314,472	\$3,743
Hotel			\$9,236	\$621,164	\$7,395
<u>Cash Basis</u>	\$0.587	53.0% 1990-91 26.9% 1991-92 0% thereafter	\$1.14		
Average single family residence			\$11.28	\$919	\$10.94
Large Apartment Bldg.			\$693	\$56,406	\$671
Hospital			\$4,603	\$374,944	\$4,463
Hotel			\$9,093	\$740,611	\$8,817

4. However, the PUC is recommending Board approval of the present rate schedules, providing for a 14% increase in 1990-91 and similar yearly increases through 1995-96, and anticipating the sale of revenue bonds for capital replacement needs in the amount of \$76 million for 15 years. Their choice of the 15-year bond issue, instead of 30 years, is as previously noted, based on the viewpoint that the shorter term of 15 years is desirable in order to decrease the total debt service requirement.

**Recommendation**

Approve the resolutions (Files 142-90-1, 142-90-2 and 142-90-3) finding no tax subsidy will be required as a result of the proposed revised schedule of water rates. Disapproval of the proposed resolutions (Files 142-90-1.1, 142-90-2.1 and 142-90-3.1) for the PUC revised schedules of water rates is a policy decision of the Board of Supervisors. Such disapproval would result in the approval of the rate increases as requested by the PUC.

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MONTHLY COMPARISON OF CURRENT WATER RATES  
VS.  
14% WATER RATE INCREASE; TYPICAL SAN FRANCISCO CUSTOMERS

<u>Type</u>	<u>Estimated Consumption</u>	<u>Current Charge</u>	<u>Charge at 14% Increase</u>	<u>Cost Increase</u>
Small Single-Family	3	\$3.46	\$3.91	\$0.45
Average Single-Family	7	5.81	6.58	0.77
Large Single-Family	15	11.41	13.04	1.63
12 Unit Apartment	50	35.95	40.95	5.00
Large Apartment	525	356.58	406.23	49.65
Apartment Complex	3,802	2,328.57	2,653.54	324.97
Apartment Complex	34,124	20,224.39	23,048.96	2,824.57
Apartment Complex	12,353	7,323.81	8,346.66	1,022.85
Residential Hotel	88	543.11	618.90	75.79
Restaurant	646	391.30	445.97	54.67
Large Office Building	983	625.42	712.63	87.21
Department Store	2,199	1,339.21	1,526.13	186.92
Hotel	7,811	4,681.86	5,335.56	653.70
Hospital	3,873	2,370.25	2,701.04	330.79

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WATER DEPARTMENT FUND BALANCE PROJECTIONS  
1989-90 and 1990-91

	<u>1989-90</u>			<u>1990-91</u>		
	City	Suburban resale	Department total	City	Suburban resale	Department total
<b><u>Beginning surplus</u></b>	\$10,786,530		\$10,786,530	\$0		\$0
Beginning balance-suburban resale balancing account		\$(4,809,215)	(4,809,215)		\$(1,955,091)	(1,955,091)
Est. reimbursement from bonds				8,000,000		8,000,000
<b><u>Revenue</u></b>						
Sale of Water	29,500,000	35,893,106	65,393,106	30,780,000	38,943,895	
Excess Use Charges	(500,000)			3,000,000		
Rents	2,985,500			2,986,000		
Interest	4,000,000			4,000,000		
Service Charges	2,200,000			1,875,000		
Sale of Land	0			0		
Miscellaneous	1,100,000			1,100,000		
<b>TOTAL REVENUE</b>	<u>39,285,500</u>	<u>35,893,106</u>	<u>75,178,606</u>	<u>43,741,000</u>	<u>38,943,895</u>	<u>82,684,895</u>
<b>TOTAL SOURCES</b>	50,072,030	31,083,891	81,155,921	51,741,000	36,988,804	88,729,804
<b><u>Budgeted Expenditures</u></b>						
Operating	37,730,257	13,732,138		38,514,482	14,805,197	
Purchase of Water (Hetchy)	5,702,239	3,879,761		5,720,777	3,861,223	
Purch. of addl. water				1,556,400	2,443,600	
G.O. Debt Service	2,231,717			2,292,000		
New bond debt service				2,654,000		
Capital Projects	22,428,140			13,963,000		
Facilities Maintenance						
Transfer to General Fund						
Total-Budgeted.Exp.	68,092,353	17,611,899	85,704,252	64,700,659	21,110,020	
<b><u>Non-Budgeted Expenditures</u></b>						
Suburban Depreciation Cost	(3,059,986)	3,059,986		(3,259,837)	3,259,837	0
Suburban-r.o.i. cost	(11,959,276)	11,959,276		(12,453,155)	12,453,155	0
Interest- Sub. bal. acct.	(407,821)	407,821		(165,792)	165,792	0
Total-Non Budgeted Exp.	(15,427,083)	15,427,083		(15,878,784)	15,878,784	0
<b>TOTAL EXPENDITURES</b>	52,665,270	33,038,982	85,704,252	<u>48,821,875</u>	<u>36,988,804</u>	<u>85,810,679</u>
Ending balance-suburban resale balancing account		(1,955,091)	(1,955,091)		0	0
Estimated year end savings and closeouts	<u>(2,593,240)</u>		<u>(2,593,240)</u>			
<b>UNAPPROPRIATED BALANCE</b>	\$0	\$0	\$0	\$2,919,125	\$0	\$2,919,125

BOARD OF SUPERVISORS  
BUDGET ANALYST





Item 17 - File 203-90-1

**Department:** Real Estate Department

**Item:** Ordinance authorizing a quitclaim deed by the City and County of San Francisco to the San Francisco Unified School District for the Galileo High School site and adopting findings pursuant to City Planning Code Section 101.1.

**Subject Property:** The property is designated as Assessor's Block 454 and 475, also known as the Galileo High School site (see attached).

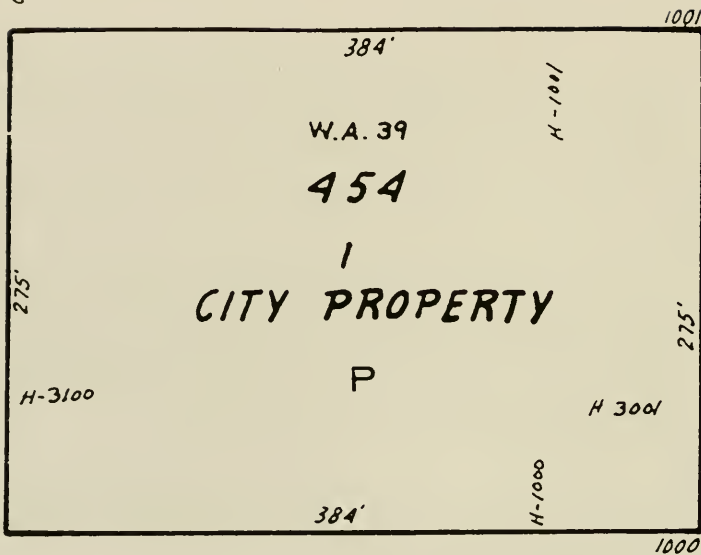
**Description:** The proposed ordinance would authorize the Director of Property to execute a quitclaim deed by which the City would release all rights, title and interest in the Galileo High School site to the San Francisco Unified School District. The Galileo High School site was purchased as a public school property in 1920 and 1924 with funds from the School Construction Fund Bond Issue of 1918.

The Department of City Planning has reported that the execution of the quitclaim deed is in conformity with the Master Plan and consistent with the Eight Priority Policies of Planning Code Section 101.1.

**Comment:** Mr. Robert Haslam of the Real Estate Department reports that the Department is requesting that this item be continued to the call of the Chair, pending the City Attorney rendering an opinion as to whether or not true ownership of the Galileo High School site resides with the City or with the San Francisco Unified School District.

**Recommendation:** Continue the proposed resolution to the call of the Chair as requested by the Real Estate Department.

## NORTH POINT



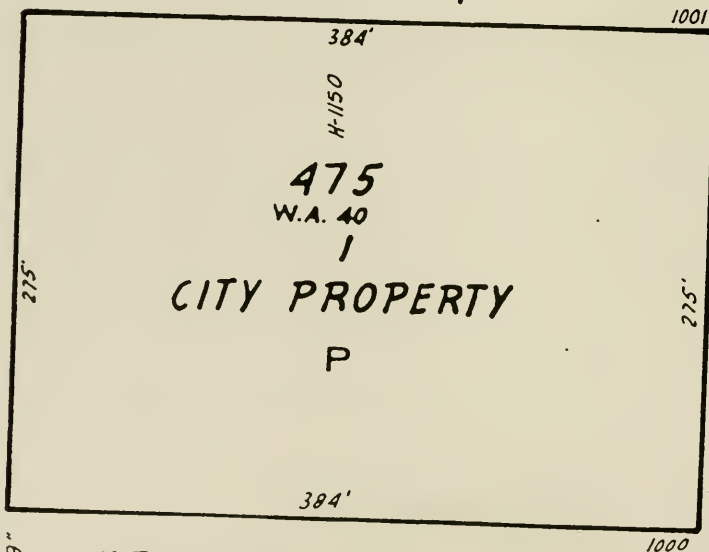
68'9"

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32.5'	87'6"	2.
HA 87-95	10	
H-3062-4	9A	
H-3046-8	3B	
H-3052	7	
H-3050	6	
H-3030	5A	
5C	5B	
107'6"	H-990	
61'6"	H-970	
	40'	

BAY

BAY



1001

50'	87'6"	13/24
H-2960	RM-1	
H-2946-8C	6B	
H-2942-4	6B	
H-2936	RM-1	
H-2920	5A	
H-1090	5C	
H-1080	RM-1	
50'	37'6"	

FRANCISCO

Item 18 - File 193-90-10

1. The proposed resolution would urge the San Francisco Zoo Commission to reconsider increasing the admission fees at the San Francisco Zoo and to consider other avenues of revenue.

2. On April 19, 1990, the Recreation and Park Commission, on the recommendation of the Joint Zoo Committee, passed a resolution approving admission fee increases at the San Francisco Zoo. The Commission was of the opinion that the fee increases were necessary to provide an additional source of revenue which could be used to correct a number of serious deficiencies at the Zoo.

3. The annual operating budget for the Zoo is approximately \$5 million. Admission fees collected by the Zoo account for approximately 40% of annual operating costs. The increases in the admission fee schedule, as approved by the Recreation and Park Commission, are as follows:

	<u>Current Rate</u>	<u>Approved Rate</u>
Adult (16-65)	\$5.00	\$6.00
Youth (12-16)	\$2.00	\$3.00
Child (5-12)	Free	\$1.00
Senior (65+)	\$2.00	\$3.00
Group Rate (Child)	Free	.50

Mr. Ernie Prindle of the Recreation and Park Department reports that the increases in admission fees are projected to provide an additional approximate amount of \$430,000 in annual revenues for the Zoo. All admission fee increases, except group rates for children, would take effect July 1, 1990. The increase in group rates for children would take effect September 1, 1990.

4. The 1989-90 Zoo budget of \$4,818,790 is as follows:

General Fund	\$2,658,790
Admission Fees	<u>2,160,000</u>
Total	<u>\$4,818,790</u>

5. The Recreation and Park Department surveyed 28 other zoos, aquariums, theatres and attractions that were either similar in their size and collections to the San Francisco Zoo or competed directly with the San Francisco Zoo as entertainment facilities (see attached). Mr. David Anderson, Director of the Zoo reports that the data collected from these facilities indicated that the current adult admission fee at the San Francisco Zoo is in the mid-range of adult admission fees for other zoos, theatres and cultural attractions surveyed. Mr. Anderson added that the survey data also indicated that in respect to admission fees charged to children and youth, that the current admission fees at San Francisco Zoo were in the lower third of fees charged, compared to the other zoos, theatres and cultural attractions surveyed.

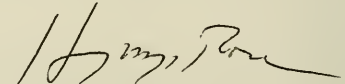
6. Mr. Anderson reports that the recently approved admission fee increases would raise the adult admission fee at the San Francisco Zoo to the upper third of fees charged by the facilities surveyed. However, according to Mr. Anderson the adult admission fee would still be less than the adult admission fee charged by other major zoos and aquariums in the State and by the major theatres in San Francisco. Mr. Anderson states that based on the recently approved admission fee increases, that admission fees for children at the San Francisco Zoo would be as low or lower than admission fees charged by all but four of the surveyed facilities. The admission fees for youth and seniors would be in the mid-range of admission fees charged by the facilities surveyed.

**Comment**

The proposed legislation is intended to urge the Recreation and Park Commission, not the San Francisco Zoo Commission, to reconsider increasing the admission fees at the San Francisco Zoo.

**Recommendation**

Approval of the proposed resolution is a policy matter for the Board of Supervisors. Should the Board of Supervisors approve this resolution, the legislation should be amended to delete reference to San Francisco Zoo Commission and replace it with Recreation and Park Commission.



Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey

## SURVEY OF ADMISSION FEES

<u>Institution Name</u>	<u>Adults</u>	<u>Children/Age</u>	<u>Sr. Citizen</u>
Sea World	\$ 21.00	\$ 3.50/3-15	\$
Marine World	19.95	15.95/4-13	
San Diego Wild Animal Park	14.50	7.50	
San Diego Zoo	10.75	4.00/3-13	
Monterey Aquarium	8.00	3.50/3-12	
AMC Theatres (S.F.)	6.50	3.50/13 and under	
Northpoint Theatres (S.F.)	6.50	3.50/12 and under	
Regency Theatres (S.F.)	6.50	3.50/12 and under	
Audubon Park-Zoo	6.00	3.00/2-12	3.00
Baton Rouge Zoo	6.00	3.00/2-12	3.00
Opera Plaza Theatre	6.00	3.00/12 and under	3.00
Los Angeles Zoo	5.50	2.25/2-12	
Cincinnati Zoo*	5.25	2.00/2-12	2.00
Detroit Zoo	5.00	2.50/5-12	3.50
San Francisco Zoo	5.00	2.00/12-16	2.00
Palm Desert	5.00	2.00/3-15	
Philadelphia Zoo*	5.00	4.00/2-11	4.00
Baltimore Zoo	4.00	2.00/2-11	2.00
California Academy of Sciences	4.00	1.00/6-11	
Denver Zoo	4.00	2.00/6-15	2.00
Fine Arts Museums (S.F.)	4.00	2.00/12-17	
Miami Metro Zoo	4.00	2.00/6-15	2.00
Santa Barbara Zoo	4.00	2.00/2-12	
Sedgwick Zoo	4.00	1.00/5-12	1.00
Sacramento Zoo	3.50	1.50/over 3	
Fresno Zoo	3.00	1.00/4-14	
Washington Park Zoo	3.00	1.50/3-11	1.50
Buffalo Zoo*	2.00	.50/4-10	1.00

\*These zoos also charge for parking.



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~~CALENDAR~~ [ACTIONS TAKEN]  
BUDGET SESSIONS  
~~FINANCE COMMITTEE~~

Board of Supervisors  
City and County of San Francisco

TUESDAY, JUNE 5, 1990 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

DOCUMENTS DEPT.

ABSENT: SUPERVISOR MAHER, AFTER 5:30 P.M.

JUN 7 - 1990

CLERK: PATRICIA J. ENG

SAN FRANCISCO  
PUBLIC LIBRARY

1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1990-91. (Mayor)

1:30 - 3:00 P.M.

Presentation by the Mayor's Office to Finance Committee concerning budget policy issues.

3:30 - 6:30 P.M.

Prepared and pre-scheduled testimony from individuals and groups

6:30 - 7:00 P.M.

Public Comment

ACTION: PRESENTATION MADE BY MAYOR'S OFFICE. PREPARED AND PRE-SCHEDULED TESTIMONY RECEIVED. HEARING HELD.

GOVT DOCUMENTS  
PUBLIC LIBRARY

D 0246



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PLEASE NOTE: CHANGE IN MEETING TIME

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D 0246

GOVT DOCUMENTS  
PUBLIC LIBRARY

ACTIONS TAKEN  
CALENDAR  
MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

JUN 8 1990

PUBLIC LIBRARY

WEDNESDAY, JUNE 6, 1990 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

ABSENT: SUPERVISOR MAHER, ITEMS 26 - 34.  
SUPERVISOR WALKER, items 17 - 22

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - a) File 25-90-14. [Contracting Out City Services] Resolution concurring with the Controller's certification that security services for the Port of San Francisco can be practically performed by private contractor at lower cost than similar work services performed by City and County employees. (Port)
  - b) File 25-90-15. [Contract Prop J - Paratransit Services] Resolution finding that it is economical for the Public Utilities Commission to contract for paratransit services in accordance with Charter Section 8.300-1. (Public Utilities Commission)
  - c) File 28-90-10. [Emergency Work] Resolution authorizing the Director of the Department of Public Works to take necessary measures to protect the health, welfare and property of the citizens of San Francisco by performing the necessary work to restore the integrity of the sewer on Eighth Avenue to Moraga to Ortega Streets. (Department of Public Works)

- d) File 28-90-11. [Emergency Repair] Resolution authorizing the Public Utilities Commission to expend emergency funds to repair leaks of the San Joaquin Pipeline No. 2. (Public Utilities Commission)
- e) File 28-90-12. [Emergency Repair] Resolution approving emergency expenditure for repair to water feeder main and resulting damage to City street. (Public Utilities Commission)
- f) File 64-90-12. [Lease of Property] Resolution authorizing renewals and extensions of certain existing leases of real property required by the Department of Public Health and Sheriff. (Real Estate Department)
- g) File 64-90-13. [Lease of Property] Resolution authorizing extension of certain existing leases of real property required by various City departments. (Real Estate Department)
- h) File 150-90-3. [Grant - State Funds] Resolution authorizing the Recreation and Park Department to apply for, accept and expend \$4,894,322 in California State Bond Act monies for the acquisition and development of recreation center in the Tenderloin. (Recreation and Park Department)

ACTION: ITEMS 1c, 1e, 1f, AND 1h SEVERED. REMAINDER OF CONSENT CALENDAR RECOMMENDED.

ITEM 1c, File 28-90-11. AMENDED TO INCREASE THE ESTIMATED COST OF WORK TO \$188,001. NEW TITLE: "[Emergency Work] RESOLUTION AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF PUBLIC WORKS TO TAKE NECESSARY MEASURES TO PROTECT THE HEALTH, WELFARE AND PROPERTY OF THE CITIZENS OF SAN FRANCISCO BY PERFORMING THE NECESSARY WORK TO RESTORE THE INTEGRITY OF THE SEWER ON EIGHTH AVENUE, MORAGA TO ORTEGA STREETS IN THE ESTIMATED AMOUNT OF \$188,001." RECOMMENDED AS AMENDED.

ITEM 1e, File 28-90-12. AMENDED TO DECREASE THE ESTIMATED COST OF WORK TO \$73,613. NEW TITLE: "[Emergency Repair] RESOLUTION APPROVING EMERGENCY EXPENDITURE FOR REPAIR TO WATER FEEDER MAIN AND RESULTING DAMAGE TO CITY STREET IN THE AMOUNT OF \$73,613." RECOMMENDED AS AMENDED.

ITEM 1f, File 64-90-12. AMENDED. SEE FILE FOR DETAIL. NO CHANGE IN TITLE. RECOMMENDED AS AMENDED.

ITEM 1h, File 150-90-3. AMENDED. SEE FILE FOR DETAIL. NEW TITLE: "[Grant - State Funds] RESOLUTION AUTHORIZING THE RECREATION AND PARK DEPARTMENT TO APPLY FOR, ACCEPT AND EXPEND \$2,164,000 IN CALIFORNIA STATE BOND ACT MONIES FOR THE ACQUISITION AND DEVELOPMENT OF A NEW PLAYGROUND AND COMMUNITY CENTER IN THE TENDERLOIN." RECOMMENDED AS AMENDED.

REGULAR CALENDAR

2. File 101-89-33.1. [Release of Funds] Requesting release of reserved funds, Sheriff, in an amount totalling \$410,149, for work necessary to obtain Proposition 52 Funding (\$123,060 Real Estate Department, for parking lot leases and service fee, \$103,376 Bureau of Architecture, Construction Management - Design Phase and \$183,713 Phase I Consultant Contract Programming and Planning). (Sheriff)

(Continued from 5/23/90.)

ACTION: HEARING HELD. RELEASE OF \$154,606 RECOMMENDED. FILED.

3. File 203-90-1. [Quitclaim Deed] Ordinance authorizing and directing execution of quitclaim deed by City and County of San Francisco to San Francisco Unified School District, a political subdivision of the State of California, for the Galileo High School site; and adopting findings pursuant to Planning Code Section 101.1. (Supervisor Maher)

(Continued from 5/30/90.)

ACTION: RECOMMENDED.

4. File 97-90-12. [Handicapped Access Appeals Board] Ordinance amending Administrative Code, by repealing Article X, which establishes a Board to hear appeals involving enforcement of State handicapped access regulations; amending Chapter 1 of the Building Code, by adding Section 215 re-enacting the provisions of Administrative Code Article X with modifications authorizing the board to hear matters involving enforcement of local handicapped access regulations, providing for compensation to board members, and setting forth appeal procedures; amending Part II, Chapter 1 of the Building Code by amending Section 332.3, to add a fee for filing an appeal to the Board. (Department of Public Works)

ACTION: AMENDMENT OF THE WHOLE ADOPTED AND FURTHER AMENDED. SEE FILE FOR DETAIL. NEW TITLE: "[Handicapped Access Appeals Board] ORDINANCE AMENDING THE SAN FRANCISCO ADMINISTRATIVE CODE BY REPEALING ARTICLE X OF CHAPTER 5, SECTIONS 5.92, 5.93 AND 5.94, WHICH ESTABLISHES A BOARD TO HEAR APPEALS INVOLVING ENFORCEMENT OF STATE HANDICAPPED ACCESS REGULATIONS; AMENDING PART II, CHAPTER 1 OF THE SAN FRANCISCO MUNICIPAL CODE (BUILDING CODE) BY ADDING SECTION 215 RE-ENACTING THE PROVISIONS OF THE SAN FRANCISCO ADMINISTRATIVE CODE ARTICLE X OF CHAPTER 5, WITH MODIFICATIONS; AUTHORIZING THE BOARD TO HEAR MATTERS INVOLVING ENFORCEMENT OF LOCAL HANDICAPPED ACCESS REGULATIONS, PROVIDING FOR COMPENSATION TO BOARD MEMBERS, AND SETTING FORTH APPEAL PROCEDURES; AMENDING PART II, CHAPTER 1 OF THE SAN FRANCISCO MUNICIPAL CODE (BUILDING CODE) BY AMENDING SECTION 332.3 TO ADD A FEE FOR FILING AN APPEAL TO THE BOARD; PROVIDING FOR WAIVER OF FEE." RECOMMENDED AS AMENDED. SUPERVISOR MAHER DISSENTING IN COMMITTEE.

5. File 101-89-138. [Government Funding] Ordinance appropriating \$885,300, Retirement System, for non-work order services of other departments-City Attorney and services of other departments - Workers' Compensation; providing for ratification of action previously taken. RO #9292 (Controller)

ACTION: RECOMMENDED.

6. File 101-89-139. [Government Funding] Ordinance appropriating \$150,000, Retirement System, for non-work order services of other departments-City Attorney. RO #9293 (Controller)

ACTION: RECOMMENDED.

7. File 101-89-142. [Government Funding] Ordinance appropriating \$282,542, Municipal Railway, for capital improvement project (SEPTA-PCC Street Cars); rescinding \$282,542 from capital improvement project (McAllister Street Contra - Flow Lanes) RO #9294. (Controller)

ACTION: RECOMMENDED.

8. File 101-89-143. [Government Funding] Ordinance appropriating \$47,966, District Attorney, for program project budget (District Attorney's Special Fund). RO #9286 (Controller)

ACTION: RECOMMENDED.

9. File 101-89-144. [Government Funding] Ordinance appropriating \$640,448, Police Department, for permanent salaries and related mandatory fringe benefits District Attorney and various program project budget. RO #9287 (Controller)

ACTION: QUESTION DIVIDED.

File 101-89-144. FUNDING FOR TWO MONTHS FOR FISCAL YEAR 1989-90 RECOMMENDED. NEW TITLE: [Government Funding] ORDINANCE APPROPRIATING \$106,740, FOR PERMANENT SALARIES AND RELATED MANDATORY FRINGE BENEFITS, DISTRICT ATTORNEY AND VARIOUS PROGRAM PROJECT BUDGET, POLICE DEPARTMENT FOR FISCAL YEAR 1989-90." RECOMMENDED.

File 101-89-144.1. PROVIDES FUNDING FOR TEN MONTHS FOR FISCAL YEAR 1990-91. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$533,708, FOR PERMANENT SALARIES AND RELATED MANDATORY FRINGE BENEFITS, DISTRICT ATTORNEY AND VARIOUS PROGRAM PROJECT BUDGET, POLICE DEPARTMENT FOR FISCAL YEAR 1990-91." CONTINUED TO CALL OF THE CHAIR.

10. File 101-89-145. [Government Funding] Ordinance appropriating \$938,167, Police Department, for facilities maintenance project (pistol range renovation). RO #9298 (Controller)

ACTION CONTINUED TO CALL OF THE CHAIR.

11. File 101-89-147. [Government Funding] Ordinance appropriating \$129,958, Police Department, for retroactive salaries and rescinding \$129,958 from permanent salaries-uniform. RO #9299 (Controller)

ACTION: RECOMMENDED.

12. File 101-89-146. [Government Funding] Ordinance appropriating \$12,958, Fire Department, for permanent salaries-miscellaneous and related mandatory fringe benefits, rescinding \$11,068 from permanent salaries-miscellaneous (General Fund) and also rescinding \$1,890 permanent salaries-miscellaneous (Airport Operating Fund), for the deletion of six positions and creation of six positions. RO #9297 (Controller) (companion to File 102-89-49)

ACTION: RECOMMENDED.

13. File 102-89-49. [Public Employment] Ordinance amending Annual Salary Ordinance, 1989-90, Fire Department, reflecting the addition of six positions (Classifications (1) 6280 Fire Safety Inspector I and (5) 6281 Fire Safety Inspector II). (companion to File 101-89-146) (Civil Service Commission)

ACTION: RECOMMENDED.

14. File 101-89-149. [Government Funding] Ordinance appropriating \$680,000, Fire Department, for capital improvement project (Emergency Operations Center). RO #9301 (Controller)

ACTION: CONTINUED TO CALL OF THE CHAIR.

15. File 101-89-148. [Government Funding] Ordinance appropriating \$11,185,849, Cleanwater Program, for capital improvement project (Mariposa Facilities Construction). RO #9300 (Controller)

ACTION: CONTINUED TO CALL OF THE CHAIR.

16. File 101-89-150. [Government Funding] Ordinance appropriating \$315,000, Recreation and Park Department, for facilities maintenance project (Golden Gate Park - North Lake), rescinding \$270,000 from capital improvement project (Waterfront/Hilltop/Other) and \$45,000 from facilities maintenance project (various location - renovation). RO #9302 (Controller)

ACTION: TABLED.

17. File 101-89-151. [Government Funding] Ordinance appropriating \$6,878,893, Public Library, for various capital improvement project. RO #9303 (Controller)

ACTION: AMENDED TO REDUCE TOTAL APPROPRIATION TO \$6,848,293 AND PLACE \$512,000 IN RESERVE. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$6,878,893, PUBLIC LIBRARY, FOR VARIOUS CAPITAL IMPROVEMENT PROJECTS: PLACING \$512,000 IN RESERVE." RECOMMENDED AS AMENDED.



18. File 101-89-152. [Government Funding] Ordinance appropriating \$223,071, Civil Service Commission, for communication and equipment lease/purchase and rescinding \$223,071 from permanent salaries. RO #9304 (Controller)

ACTION: AMENDED TO PLACE \$157,590 IN RESERVE. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$223,071, CIVIL SERVICE COMMISSION, FOR COMMUNICATION AND EQUIPMENT LEASE/PURCHASE AND RESCINDING \$223,071 FROM PERMANENT SALARIES: PLACING \$157,590 IN RESERVE." RECOMMENDED AS AMENDED.

19. File 101-89-153. [Government Funding] Ordinance appropriating \$30,000, Agriculture/Weights and Measures, for facilities maintenance project (Farmers Market - Repair Roofs), rescinding \$11,810 from facilities maintenance project (Farmers Market-Repair Stalls) and rescinding \$12,444 from permanent salaries and related mandatory fringe benefits. RO #9305 (Controller)

ACTION: RECOMMENDED.

20. File 101-89-154. [Government Funding] Ordinance appropriating \$1,775,000, Hetch Hetchy, for purchase power for resale and electricity transmission service charge; providing for ratification of action previously taken. RO #9306 (Controller)

ACTION: RECOMMENDED.

21. File 101-89-155. [Government Funding] Ordinance rescinding \$2,649,117, from various facilities maintenance project and various capital improvement project, for Fiscal Year 1989-90. RO #9307 (Controller)

ACTION: AMENDMENT OF THE WHOLE ADOPTED AND FURTHER AMENDED. SEE FILE FOR DETAIL. NEW TITLE: "[Government Funding] ORDINANCE RESCINDING VARIOUS CAPITAL PROJECTS APPROPRIATIONS FROM GENERAL FUND, \$36,468, GENERAL FUND PROJECT, \$59,640, MUNICIPAL RAILWAY, \$801,468, CAPITAL IMPROVEMENT PROJECT FUND, \$1,084,523, SAN FRANCISCO GENERAL HOSPITAL \$7,304 AND LAGUNA HONDA HOSPITAL, \$12,805 FOR FISCAL YEAR 1989-90." RECOMMENDED AS AMENDED.

22. File 101-89-156. [Government Funding] Ordinance appropriating \$4,218,400, Parking Authority for capital improvement project (Polk-Bush Garage) for fiscal year 1989-90. Ro# 9259 (Supervisor Walker)

ACTION: AMENDED TO PLACE \$4,218,400 IN RESERVE. NEW TITLE: "[Government Funding] ORDINANCE APPROPRIATING \$4,218,400, PARKING AUTHORITY FOR CAPITAL IMPROVEMENT PROJECT (Polk-Bush Garage) FOR FISCAL YEAR 1989-90; PLACING \$4,218,400 IN RESERVE." RECOMMENDED AS AMENDED.

23. File 65-90-2. [Lease of Radioactive Waste Storage Site] Ordinance authorizing and approving lease of a portion of the Basement in Building One at San Francisco General Hospital to the Regents of the University of California. (Real Estate Department)

ACTION: AMENDMENT OF THE WHOLE ADOPTED. NEW TITLE:  
"[Lease of Radioactive Waste Storage Site]  
ORDINANCE AUTHORIZING AND APPROVING LEASE OF A  
PORTION OF THE BASEMENT IN BUILDING ONE AT SAN  
FRANCISCO GENERAL HOSPITAL TO THE REGENTS OF THE  
UNIVERSITY OF CALIFORNIA AND FIRST AMENDMENT TO  
THE LEASE." RECOMMENDED AS AMENDED.

24. File 172-90-10. [Contract] Authorizing the execution of an agreement between the City and County of San Francisco and the State of California Department of Education in the amount of \$118,069 for participation by the City and County in the State's Child Care and Development Program for the Fiscal Year 1990-91. (Department of Social Services)

ACTION: RECOMMENDED.

25. File 172-90-11. [Highway Maintenance] Resolution of the Board of Supervisors of the City and County of San Francisco approving an agreement for maintenance of State highways in the City and County of San Francisco, authorizing the Mayor and the Clerk of the Board to sign said agreement, including a hold harmless provision contained therein. (Department of Public Works)

ACTION: RECOMMENDED.

26. File 170-90-8. [Water Revenue Bonds] Resolution approving the issuance of not to exceed \$76,000,000 principal amount of Public Utilities Commission of the City and County of San Francisco, San Francisco Water Revenue Bonds for the purpose of providing funds for the reconstruction and replacement of existing facilities. (Public Utilities Commission)

ACTION: RECOMMENDED.

27. File 221-90-2. [Use of Proposition 99 Funds] Resolution urging the Mayor to use discretionary Proposition 99 (Tobacco Tax) funding for new and much needed health services as outlined or similar to the services outlined by the Coalition for Proper Expenditure of Tobacco Tax Funds. (Supervisor Walker)

ACTION: CONTINUED TO 6/20/90.

28. File 101-90-1. [Interim Annual Appropriation] Interim Annual Appropriation Ordinance for Fiscal Year 1990-91. (Controller)

ACTION: RECOMMENDATIONS OF BUDGET ANALYST ADOPTED WITH AMENDMENTS TO BUDGET ANALYST'S REPORT CONTAINED IN FILE. RECOMMENDED AS AMENDED. NO CHANGE IN TITLE.

29. File 102-90-1. [Interim Annual Salary Ordinance] Interim Annual Salary Ordinance for Fiscal Year 1990-91. (Civil Service Commission)
- ACTION: RECOMMENDATIONS OF BUDGET ANALYST ADOPTED WITH AMENDMENTS TO BUDGET ANALYST'S REPORT CONTAINED IN FILE. RECOMMENDED AS AMENDED. NO CHANGE IN TITLE.AMENDED.
30. File 161-90-5. [Redevelopment Agency Budget] Resolution approving an interim budget of the Redevelopment Agency of the City and County of San Francisco for Fiscal year 1990-91. (Supervisor Walker)
- ACTION: RECOMMENDED
31. File 127-90-2. [Business Tax Registration Certificate - Fee] Ordinance amending Part III (Miscellaneous) of the San Francisco Municipal Code by amending Section 1007 thereof to reduce the Business Tax Registration fee from \$200 to \$50. (Supervisor Kennedy)
- ACTION: CONTINUED TO 6/20/90.
32. File 127-90-3. [Business Tax Registration Tag] Ordinance amending Part III (Miscellaneous) of the San Francisco Municipal Code by amending Section 1007.1 thereof to require issuance of vehicle identification tags for all commercial vehicles instead of for roofing and reroofing contractors only; and by amending Ordinance No. 358-88 by deleting Sections 1003, 1007 and 1009.2 therefrom which are inconsistent with Ordinance No. 345-88. (Supervisor Kennedy)
- ACTION: CONTINUED TO CALL OF THE CHAIR.
33. File 127-90-4. [Real Property Transfer Tax Increase] Ordinance amending Article 12C of Part III, San Francisco Municipal Code, imposing a real property transfer tax, by amending Section 1102 thereof to increase the real property transfer tax rate from \$2.50 to \$5.50 for each \$500 of consideration or value, and by deleting the exemption from the tax for assumed indebtedness. (Supervisor Walker, Gonzalez)
- ACTION: ADD SUPERVISOR GONZALEZ AS CO-SPONSOR. CONTINUED TO 6/20/90.
34. File 100-90-1. Consideration of revenue proposals by the Mayor and the Board of Supervisors.
- ACTION: HEARING HELD.



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Public Library, Documents Dept.  
ATTN: Gerry Roth

CITY AND COUNTY



OF SAN FRANCISCO

## **BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415)554-7642

June 6, 1990

**TO:** Finance Committee  
**FROM:** Budget Analyst  
**SUBJECT:** June 6, 1990 Finance Committee Meeting

DOCUMENTS DEPT.

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Item 1a - File 25-90-14

**Department:** Port of San Francisco

**Item:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Security Guard Services at the Ferry Building/World Trade Center, Agriculture Building, Port public parking facilities and various piers.

**Description:** The Controller has determined that contracting for these security guard services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City Operated Service Costs</u>		
Salaries and Fringe Benefits	\$255,419	\$309,718
Operating Expenses	<u>8,391</u>	<u>8,391</u>
Total	\$263,810	\$318,109



<u>Contracted Service Cost</u>	<u>155,064</u>	<u>155,064</u>
<u>Estimated Savings</u>	\$108,746	\$163,045

**Comments:**

1. Security guard services were first certified as required by Charter Section 8.300-1 in 1983 and have been provided by an outside contractor since 1976.
2. The current contract which expires June 30, 1990, is with Cal-State Patrol Services, a Minority Business Enterprise (MBE). The Contracted Service Cost used for the purpose of this analysis is based on Cal-State Patrol Services estimated cost to provide services for FY 1990-91.
3. The Controller's supplemental questionnaire with the department's responses, including the MBE/WBE status of this contract, is attached.


**Recommendation:**

Approve the proposed resolution.

CHARTER 8.300-1 (Proposition J) QUESTIONNAIREDepartment PORT COMMISSION For Time Period F.Y. 90-91Contract Services Security Services Contract Term: \_\_\_\_\_

- 1) Who performed services prior to contracting out?  
Security Services were performed by patrol officers prior to 1975. These were former State of California employees transitioned to City service when the Port was transferred to the City's jurisdiction in 1969.
- 2) Number of City employees laid off as result of contracting out?  
No employees are adversely affected as a result of this contract.
- 3) Explain disposition of employees if they were not laid off.  
The former Harbor Patrol Officers were transferred to the Sheriff's Office in 1975. Several subsequently have become Q-2 Police Officers in the S.F.P.D. None were displaced.
- 4) What percent of a City employee's time is spent on services to be contracted out?  
The cost comparison is based upon a hypothetical City work force of seven and one half Building & Grounds Patrol Officers. This represents a very conservative estimate of the number of City employees needed to cover the 294 hours of service provided by the contractor each week.
- 5) How long have the services been contracted out?  
Since 1976.
- 6) What was the first fiscal year for a Proposition J Certification?  
F.Y. 83-84.
- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

In the past the low bidder on this contract has been a minority or woman-owned business. If this Prop J certification is approved and an MBE or WBE-owned business is the low bidder, it will contribute significantly toward the City's compliance with the provisions of 12D of the Administrative Code.

  
Department Representative  
Stephen Amano, Personnel Manager  
Telephone: 274-0422

Item 1b - File 25-90-15

**Department:** Public Utilities Commission

**Proposed Action:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-I (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Paratransit Services

**Description:** The Controller has determined that contracting for these paratransit services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operated Service Costs</u>		
Salaries and Fringe Benefits	\$6,156,270	\$6,740,047
Operating Expenses	<u>266,177</u>	<u>266,177</u>
Total	\$6,422,447	\$7,006,224
<u>Contracted Service Cost</u>	<u>5,626,228</u>	<u>5,626,228</u>
<u>Estimated Savings</u>	\$796,219	\$1,379,996

**Comments:** 1. Paratransit services were first certified as required by Charter Section 8.300-I in 1984 and have been provided by an outside contractor since 1979.

2. The current five-year contract, which expires June 30, 1991, is with U.S. Human Resources Corporation, a Minority Business Enterprise (MBE). The Contracted Service Cost used for the purpose of this analysis is the fifth year cost of the current contract. The U.S. Human Resources Corporation serves as the broker in marketing and managing the paratransit services at a cost of \$634,226 for 1990-91. The actual paratransit services are provided by subcontractors at a cost of \$4,992,002 for 1990-91 for a total contract cost of \$5,626,228.

3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department PUC/MUNI Railway

Contract Services Paratransit

For the term starting approximately 07/01/90 through 6/30/91

- 1) Who performed services prior to contracting out?

No one - service has always been contracted out.

- 2) Number of City employees laid off as a result of contracting out?

None

- 3) Explain disposition of employees if they were not laid off.

Not applicable.

- 4) What percent of a City employee's time is spent on services to be contracted out?

20% of one full time equivalent contract Administrator plus 3 hours per month of a 1630 - Accountant.

- 5) How long have the services been contracted out?

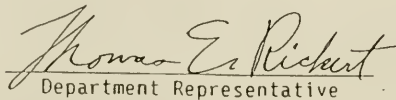
Ten (10) years.

- 6) When was the first fiscal year for a Proposition J certification?

Fiscal Year 1983/84

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

The Broker services are performed by an MBE firm and not less than 30% of all service will be provided by MBE/WBE firm(s).

  
Department Representative

923-6142

Telephone

Item 1c - File 28-90-10

**Department:** Department of Public Works (DPW)  
Clean Water Program (CWP)

**Item:** Resolution authorizing the Department of Public Works to perform emergency repair work to restore the integrity of a sewer. Mr. Attia advises that the CWP, in anticipation of the wet season, determined that the repair of the damaged sewer constituted an emergency.

**Amount:** \$182,890

**Source of Funds:** Repair and Replacement Emergency Fund

**Description:** DPW has determined that a sewer located on 8th Avenue and Moraga Street to Ortega Street has been damaged as a result of the October 17, 1989 earthquake and constitutes a hazard to the public health and welfare.

Mr. Ramisis Attia reports that, following the earthquake, the DPW experienced several delays (due to limited access to the site) in the investigation of the damage to the sewer which is the subject of this report. As a result of these delays, according to Mr. Attia, the DPW did not transfer the sewer project to CWP until April 2, 1990. Mr. Attia advises that the CWP, in anticipation of the wet season, determined that the repair of the damaged sewer constituted an emergency.

In accordance with Section 6.30 of the Administrative Code, CWP initiated an expedited bidding procedure for the necessary construction work on the damaged sewer. CWP awarded the construction contract to Interlane General Engineering and P and J Utility, a joint venture firm, on April 20, 1990. Interlane General Engineering is a Minority Business Enterprise (MBE) firm. The MBE participation on the contract is 50%. The estimated cost of the repair work is summarized as follows:

CWP Design Engineering	\$26,000
DPW Bureau of Engineering	16,000
DPW Bureau of Traffic Engineering	1,200
DPW Bureau of Street and Sewer Repair	10,000
Construction (Interlane General Engineering and P and J Utility)	123,011
Contingency	<u>11,790</u>
Total	\$188,001

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



**Comments:**

1. Mr. P.T. Law of the CWP reports that the Department anticipates that Federal Emergency Management Agency (FEMA) funds will be made available to offset a portion (as yet undetermined) of the City's cost for repair of the damaged sewer.
2. The Clean Water Program reports that the construction on the project began April 30, 1990 and is projected to be completed on June 8, 1990.
3. Because the total cost of the work is now estimated to be \$188,001, line 16 of the proposed resolution should be amended from \$182,890 to \$188,001.

**Recommendation:** Amend the proposed resolution to increase the cost amount on line 16 from \$182,890 to \$188,001, and approve the proposed resolution as amended.

Item 1d - File 28-90-11

**Department:** Public Utilities Commission (PUC)  
Hetch Hetchy

**Proposed Action:** Resolution authorizing the Public Utilities Commission to expend emergency funds to repair leaks in the San Joaquin Pipeline No. 2.

**Amount:** \$100,000

**Source of Funds:** San Joaquin Pipeline Repair Project

**Description:** The PUC reports that on April 2, 1990, leaks were discovered in the San Joaquin Pipeline No. 2. On April 5, 1990, the PUC formally declared that an emergency condition existed, due to the leaks.

In accordance with Section 6.30 of the Administrative Code Hetch Hetchy began emergency repair work on the pipeline on April 2, 1990. On May 8, 1990, the PUC approved \$25,000 in emergency funds to repair the leaks on the pipeline. Subsequent to the PUC's approval of the \$25,000 for repairs, a survey by engineers determined that the steel pipe around the leaks showed serious erosion due to the soil conditions. The estimated cost of the repair work and related expenses is summarized as follows:

Labor

Hetch Hetchy - Inhouse Civil Service Staff  
(1,600 hours) \$53,000

Contractual - Engineering Services

E. Elliot and Associates	\$15,000	
Testing Engineers Inc.	11,000	
Alpha Quality Service	3,000	
Cerco Engineering and Research Co.	<u>3,000</u>	
Subtotal		32,000

Equipment Rental 10,000

Materials and Supplies 5,000

Total \$100,000

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Comments:**

1. In accordance with Section 6.30 of the Administrative Code, the PUC used expedited procedures to award emergency contracts to four firms for the provision of engineering services. Two of the firms E. Elliot and Associates and Testing Engineers Inc. completed their work on May 11, 1990. The PUC projects that Alpha Quality Service and Cerco Engineering and Research Co. will complete their work by June 30, 1990 and August 31, 1990 respectively. None of the four engineering firms are MBE or WBE firms.

2. Mr. Ken Cooper of Hetch Hetchy reports that the Department had anticipated that the repair work on the San Joaquin Pipeline No. 2 would be completed by June 5, 1990. However, according to Mr. Cooper, the Department is now uncertain as to when the repair work will be completed, because new leaks were discovered in the pipeline on May 30, 1990.

**Recommendation:** Approve the proposed resolution.

Item 1e - File 28-90-12

**Department:** Public Utilities Commission (PUC)  
Water Department

**Item:** Resolution approving emergency expenditure for repair to a water feeder main and the resulting damage to a City street.

**Amount:** \$90,000

**Source of Funds:** Water Main Replacement Fund

**Description:** The PUC reports that on April 22, 1990, a 16-inch water feeder main ruptured on Larkin Street at the intersection with Market and Hayes Streets, causing extensive damage to the pavement, eroding the base and sub-base material and undermining a major portion of the intersection.

The PUC formally declared that an emergency condition existed, due to the ruptured water feeder main, on May 8, 1990. The Water Department has placed this damaged water feeder main on the list of facilities damaged by the earthquake of October 17, 1989 and the aftershocks of April 18, 1990.

In accordance with Section 6.30 of the Administrative Code, the Water Department began emergency repair work on the damaged water feeder main and resulting damage to the street on April 22, 1990. The Department reports that the repair work was completed on May 2, 1990. The cost of repairs is summarized as follows:

<u>Labor</u>	
DPW - Inhouse Civil Service Staff	\$ 4,669
Water Department - Inhouse Civil Service Staff	<u>28,712</u>
Subtotal	\$33,381
<u>Materials and Supplies</u>	7,919
<u>Water Department-Equipment</u>	5,350
<u>Contractor</u>	
Stacy and Witbeck, West Bay and Nationwide	<u>26,963</u>
Total	\$73,613

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Comments:**

1. In accordance with Section 6.30 of the Administrative Code the PUC, on an expedited basis, awarded the contract for emergency repair work (paving and debris removal) to Stacy and Witbeck, West Bay and Nationwide, a joint venture firm. West Bay is an MBE firm and Nationwide is a WBE firm. West Bay and Nationwide's contract participation is 34.7% and 9.97% respectively. The PUC reports that Stacy and Witbeck, West Bay and Nationwide has an existing annual contract with the PUC to provide paving and debris removal services.

2. Because the total cost of the emergency repair work was \$73,613, line 23 of the proposed resolution should be amended from \$90,000 to \$73,613.

3. Mr. Martin Lieberman of the Water Department reports that the Department anticipates that Federal Emergency Management Agency (FEMA) funds will be made available to offset the majority (exact amount has not as yet been determined) of the City's cost for repair of the damaged water feeder main.

**Recommendation:** Amend the proposed resolution to decrease the cost amount on line 23 from \$90,000 to \$73,613, and approve the proposed resolution as amended.

Item 1f - File 64-90-12

The proposed resolution would authorize the execution of three lease renewals and the extension of 21 leases of real property for the Department of Public Health (DPH). One of the 21 lease extensions, Lease No. (22), is shared by the Sheriff's Department. The total amount of funds required is \$2,056,808. The funding availability is subject to approval in the Fiscal Year 1990-91 budget. Each of the proposed leases is summarized below:

- (1) **Location:** 2335 - 39 Ocean Avenue
- Purpose of Lease:** Clinic space for District V Mental Health Center
- Lessor:** Beverly M. Pelton
- No. of Sq. Ft. and Cost/Month:** 3,954 sq. ft. @ \$0.72/sq. ft./mo. = \$2,852.32 rent/month
- Annual Cost:** \$34,228
- % Increase over 1989-90:** One percent
- Utilities and Janitor Provided by Lessor:** Janitorial only
- Term of Lease:** July 1, 1990 to June 30, 1991
- Right of Renewal:** 2 of 4 one-year option periods remain
- Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

- (2) **Location:** 10 - 29th Street
- Purpose of Lease:** Clinic Space for Southeast Mental Health District Outpatient Clinic
- Lessor:** George and Lois Maisels and Lawrence and Frances Maisels
- No. of Sq. Ft. and Cost/Month:** 1,750 sq. ft. @ \$0.70/sq. ft./mo. = \$1,233.45 rent/month
- Annual Cost:** \$14,801

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**% Increase over  
1989-90:** 5 percent

**Utilities and Janitor  
Provided by Lessor:** Janitorial only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** 2 of 4 one-year option periods remain

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

(3) **Location:** 298 Monterey Boulevard

**Purpose of Lease:** Clinic space for the Mission Mental Health Center

**Lessor:** John W. Powell and Sylvia C. Powell

**No. of Sq. Ft. and  
Cost/Month:** 4,025 sq. ft. @ \$0.59/sq. ft./mo. = \$2,368.15 rent/month

**Annual Cost:** \$28,418

**% Increase over  
1989-90:** 5 percent

**Utilities and Janitor  
Provided by Lessor:** Janitorial only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** 2 of 4 one-year option periods remain

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund



\*\*\*\*\*

- (4) **Location:** 2001 Van Ness Avenue and 1700 Jackson Street
- Purpose of Lease:** Clinic space for Public Health's Center for Special Problems
- Lessor:** Ted Astorian and Martel J. Kaliski
- No. of Sq. Ft. and Cost/Month:** 9,718 sq. ft. @ \$2.17/sq. ft./mo. = \$21,045.58 rent/month
- Annual Cost:** \$252,547
- % Increase over 1989-90:** 5 percent
- Utilities and Janitor Provided by Lessor:** No
- Term of Lease:** July 1, 1990 to June 30, 1991
- Right of Renewal:** 2 of 8 one-year option periods remain
- Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

- (5) **Location:** 1182 Market Street (Room 204)
- Purpose of Lease:** Administrative offices for DPH's Eldercare Program
- Lessor:** Milton Meyer and Co.
- No. of Sq. Ft. and Cost/Month:** 2,019 sq. ft. @ \$0.96/sq. ft./mo. = \$1,930 rent/month
- Annual Cost:** \$23,160
- % Increase over 1989-90:** 0%
- Utilities and Janitor Provided by Lessor:** Yes
- Term of Lease:** Same as below (right of renewal)

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Right of Renewal:** This space is to be leased on a month-to-month basis commencing July 1, 1990, for a period not to exceed one year, because the lessor wishes to maximize its options.

**Source of Funds:** 100% General Fund

\* \* \* \* \*

(6) **Location:** 1182 Market Street (Rooms 207 and 208)

**Purpose of Lease:** Administrative offices for Central City Seniors Unit

**Lessor:** Milton Meyer and Co.

**No. of Sq. Ft. and Cost/Month:** 637 sq. ft. @ \$0.85/sq. ft./mo. = \$541.45 rent/month

**Annual Cost:** \$6,497

**% Increase over 1989-90:** 0%

**Utilities and Janitor Provided by Lessor:** Yes

**Term of Lease:** Same as below (right of renewal)

**Right of Renewal:** This space is to be leased on a month-to-month basis commencing July 1, 1990, for a period not to exceed one year, because the lessor wishes to maximize its options.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\* \* \* \* \*

(7) **Location:** 1182 Market Street (Suite 320)

**Purpose of Lease:** Senior Information Referral and Health Promotions Program

**Lessor:** Milton Meyer and Company

**No. of Sq. Ft. and Cost/Month:** 2,094 sq. ft. @ \$0.85/sq. ft./mo. = \$1,780.00 rent/month

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Annual Cost:** \$21,360

**% Increase over  
1989-90:** 0%

**Utilities and Janitor  
Provided by Lessor:** Yes

**Term of Lease:** Same as below (right of renewal).

**Right of Renewal:** This space is to be leased on a month-to-month basis commencing July 1, 1990, for a period not to exceed one year, because the lessor wishes to maximize its options.

**Source of Funds:** 100% General Fund

\*\*\*\*\*

(8) **Location:** 755 - 61 South Van Ness Avenue

**Purpose of Lease:** Clinic Space for Mission Mental Health Facility

**Lessor:** AIM Development Corp.

**No. of Sq. Ft. and  
Cost/Month:** 7,101 sq. ft. @ \$0.69/sq. ft./mo. = \$4,908.25 rent/month

**Annual Cost:** \$58,899

**% Decrease over  
1989-90:** 5 percent

**Utilities and Janitor  
Provided by Lessor:** No

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** No options remain. Lease will be renegotiated for FY 1991-92.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Comment:** The lease provides for a rental rate of \$5,470 per month, including janitorial services. However, the City now provides its own janitorial services, which reduces the proposed rental rate by \$561.75 per month to \$4,908.25 per month.

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(9) **Location:** 759 South Van Ness Avenue (entire second floor)  
**Purpose of Lease:** Childrens' Outpatient Mental Health Clinic  
**Lessor:** AIM Development Corporation  
**No. of Sq. Ft. and Cost/Month:** 6,445 sq. ft. @ \$0.74/sq. ft./mo. = \$4,760.76 rent/month  
**Annual Cost:** \$57,129  
**% Increase over 1989-90:** 5%  
**Utilities and Janitor Provided by Lessor:** Janitorial Only  
**Term of Lease:** July 1, 1990 - June 30, 1991  
**Right of Renewal:** 7 of 10 one-year option periods remain  
**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

(10) **Location:** 3901 and 3905 Mission Street, 200 and 226 College Avenue  
**Purpose of Lease:** Clinic Space for the Geriatric Outpatient Mental Health Clinic  
**Lessor:** Giovacchino Diodati and Armando Diodati  
**No. of Sq. Ft. and Cost/Month:** 2,570 sq. ft. @ \$1.26/sq. ft./mo. = \$3,239.83 rent/month  
**Annual Cost:** \$38,878  
**% Increase over 1989-90:** 7 percent

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Utilities and Janitor**

**Provided by Lessor:** Janitorial only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** No options remain. Lease will be renegotiated for FY 1991-92.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

(11) **Location:** 3911 Mission Street

**Purpose of Lease:** Clinic Space for Geriatric Outpatient Mental Health Clinic

**Lessor:** Giovacchino Diodati and Armando Diodati

**No. of Sq. Ft. and  
Cost/Month:**

1,500 sq. ft. @ \$0.87/sq. ft./mo. =  
\$1,300.46 base rent/month  
26.74 water reimbursement  
183.54 janitorial allowance  
\$1,510.74 Total rent

**Annual Cost:** \$18,129

**% Increase over  
1989-90:** 3.6 percent

**Utilities and Janitor**

**Provided by Lessor:** Janitorial and water only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Five one-year option periods remain.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

\*\*\*\*\*

- (12) **Location:** 1548 Stockton Street (entire building)
- Purpose of Lease:** Use as the Northeast Mental Health Outpatient Unit
- Lessor:** Eugene Y.C. and Anita Tak Hing Choi
- No. of Sq. Ft. and Cost/Month:** 4,503 sq. ft. @ \$1.66/sq. ft./mo. = \$7,466.59 rent/month
- Annual Cost:** \$89,599
- % Increase over 1989-90:** 5%
- Utilities and Janitor Provided by Lessor:** Janitorial only
- Term of Lease:** July 1, 1990 to June 30, 1991
- Right of Renewal:** 1 of 4 one-year option periods remain
- Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

- (13) **Location:** 615 Grant Avenue (entire second floor)
- Purpose of Lease:** Use as Chinatown Child Development Center Outpatient Mental Health Clinic
- Lessor:** Patrick Leung and Esther Leung
- No. of Sq. Ft. and Cost/Month:** 3,815 sq. ft. @ \$0.97/sq. ft./mo. = \$3,719.59 rent/month
- Annual Cost:**
- |              |  |
|--------------|--|
| \$44,635     | Base Rent                                |
| <u>7,529</u> | 1990-91 Leasehold Improvement (one-time) |
| \$52,164     | Total (1989-90)                          |
- % Increase over 1989-90:** 5.6 percent (base rent)
- Utilities and Janitor Provided by Lessor:** Janitorial only
- Term of Lease:** July 1, 1990 to June 30, 1991

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Right of Renewal:** Five one-year options remain.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

**Comment:** The lease includes a one-time amount not to exceed \$7,529 to reimburse the lessor for certain required improvements consisting of replacement of wall-to-wall carpeting, installation of new vinyl floor covering in the kitchen and cabinet work.

\*\*\*\*\*

(14) **Location:** 615 Grant Avenue (portion of 3rd floor)

**Purpose of Lease:** Clinic Space for Northeast Mental Health District's Outpatient Treatment Center

**Lessor:** Patrick Leung

**No. of Sq. Ft. and Cost/Month:** 3,815 sq. ft. @ \$0.96/sq. ft./mo. = \$3,676.93 rent/month

**Annual Cost:** \$44,123

**% Increase over 1989-90:** 5%

**Utilities and Janitor Provided by Lessor:** Janitorial only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** No options remain. Lease will be renegotiated for FY 1991-92.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

(15) **Location:** 615 Grant Avenue (entire 4th floor, portion of 3rd floor)

**Purpose of Lease:** Clinic Space for Outpatient Clinic Community Mental Health Services

**Lessor:** Patrick and Esther Leung

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Finance Committee  
June 6, 1990

**No. of Sq. Ft. and Cost/Month:** 4,165 sq. ft. @ \$0.89/sq. ft./mo. = \$3,701.22 rent/month

**Annual Cost:** \$44,415

**% Increase over 1989-90:** 5%

**Utilities and Janitor Provided by Lessor:** No

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** No options remain. Lease will be renegotiated for FY 1991-92.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

(16) **Location:** 615 Grant Avenue (entire fifth floor)

**Purpose of Lease:** Space for Community Mental Health, Chinatown Child Development Center.

**Lessor:** Sinclair Louie, May C. Louie and 718 California Street Corp.

**No. of Sq. Ft. and Cost/Month:** 4,100 sq. ft. @ \$1.20/sq. ft./mo. = \$4,920.00 rent/month

**Annual Cost:** \$59,040

**% Increase over 1989-90:** 15%

**Utilities and Janitor Provided by Lessor:** No

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Three one-year options remain.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

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**Comment:** The Real Estate Department reports that the space on the fifth floor at 615 Grant Avenue is superior in quality to the other floors in the same building.

\*\*\*\*\*

(17) **Location:** 471 Jessie Street (second and third floors)

**Purpose of Lease:** "South of Market" Outpatient Mental Health Clinic

**Lessor:** Susan McAllister Moxon

**No. of Sq. Ft. and Cost/Month:** 2,824 sq. ft. @ \$1.08/sq. ft./mo. =  
\$3,064 rent/month  
425 Janitorial Allowance  
\$3,489 Total Rent

**Annual Cost:** \$41,868

**% Increase over 1989-90:** 5%

**Utilities and Janitor Provided by Lessor:** Janitorial only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** 5 of 10 one-year option periods remain

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

(18) **Location:** 471 Jessie Street (entire ground floor)

**Purpose of Lease:** Office space for the Substitute Payee Program.

**Lessor:** Susan McAllister Moxon

**No. of Sq. Ft. and Cost/Month:** 1,500 sq. ft. @ \$1.22/sq. ft./mo. =  
\$1,824 base rent/month  
225 Janitorial Allowance  
\$2,049 Total Rent

**Annual Cost:** \$24,588

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Memo to Finance Committee  
June 6, 1990

**% Increase over  
1989-90:** 5%

**Utilities and Janitor  
Provided by Lessor:** Janitorial only.

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** 5 of 9 one-year options remain

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

(19) **Location:** 111 Potrero Avenue (portion of ground floor)

**Purpose of Lease:** Space for the Mission Crisis Center and Team I Adult Outpatient Services

**Lessor:** 111 Potrero Partnership

**No. of Sq. Ft. and  
Cost/Month:** 6,000 sq. ft. @ \$0.73/sq. ft./mo. =  
\$4,376.00 base rent/month  
666.75 Janitorial Allowance  
\$5,042.75 Total Rent

**Annual Cost:** \$60,513

**% Increase over  
1989-90:** 5%

**Utilities and Janitor  
Provided by Lessor:** Janitorial only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** 1 of 5 one-year options remain

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

\*\*\*\*\*

(20) **Location:** 1360 Mission Street (portion of fourth floor)

**Purpose of Lease:** Employee Assistance Program

**Lessor:** Vilo Properties, Inc.

**No. of Sq. Ft. and Cost/Month:** 2,900 sq. ft. @ \$0.90/sq. ft./mo. \$2,611 rent/month

**Annual Cost:** \$31,332

**% Increase over 1989-90:** 0%

**Utilities and Janitor Provided by Lessor:** Yes

**Term of Lease:** July 1, 1990 to June 30, 2000

**Right of Renewal:** None

**Source of Funds:** Interdepartmental Work Orders

**Comment:** The RPD reports that the Board of Supervisors has previously authorized a 10-year lease for this property (File 64-89-43) and requests that this item (20) be deleted from the legislation.

\*\*\*\*\*

(21) **Location:** 4190 - Mission Street (ground floor)

**Purpose of Lease:** Southeast Mental Health District's Administrative and Outpatient offices.

**Lessor:** Servidores De Jesus, Inc.

**No. of Sq. Ft. and Cost/Month:** 3,600 sq. ft. @ \$0.78/sq. ft./mo. = \$2,800.84 rent/month

**Annual Cost:** \$33,610

**% Increase over 1989-90:** 8%

**Utilities and Janitor Provided by Lessor:** Janitorial only

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**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** No options remain. Lease will be renegotiated for FY 1991-92.

**Source of Funds:** 70% State Mental Health Fund, 30% General Fund

\* \* \* \* \*

(22) **Location:** 444 - 6th Street

**Purpose of Lease:** Community Substance Abuse Services

**Lessor:** Bramval Company

**No. of Sq. Ft. and Cost/Month:** 5,156 sq. ft. @ \$0.75./sq. ft./mo. = \$3,867 rent/month

**Annual Cost:**

\$23,202	DPH
<u>23,202</u>	Sheriff
\$46,404	Total

**% Increase over 1989-90:** 13.5%

**Utilities and Janitor Provided by Lessor:** Janitorial only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Three one-year option periods remain.

**Source of Funds:** 70% State Mental Health Fund and 30% General Fund for DPH's share, 100% General Fund for Sheriff Department's share.

**Comment:** Half of the premises at 444-6th Street are leased by the Public Health Department and the other half by the Sheriff's Department, Prisoner Services Program.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

\*\*\*\*\*

- (23) **Location:** 1380 Howard Street (entire second through fifth floors) plus basement parking for 28 automobiles
- Purpose of Lease:** Offices for City-wide Mental Health Programs, Substance Abuse Administration, Environmental Inspection Division and DPH's Computer Operations
- Lessor:** Robert J. and Vera Cort
- No. of Sq. Ft. and Cost/Month:** 59,393 sq. ft. @ \$0.76/sq. ft./mo. =  
\$44,955.81 base rent/month  
5,450.67 Janitorial Services  
8,775.00 Amortized Computer Room  
\$59,181.48
- Annual Cost:** \$710,178
- % Increase over 1989-90:** 5%
- Utilities and Janitor Provided by Lessor:** Janitorial services, water and scavenger only
- Term of Lease:** July 1, 1990 to June 30, 1991
- Right of Renewal:** 7 of 9 one-year option periods remain.
- Source of Funds:** 70% State Mental Health Fund and 30% General Fund

\*\*\*\*\*

- (24) **Location:** 25 Van Ness Avenue (portion of 5th and 6th floors)
- Purpose of Lease:** Administrative and Surveillance Offices for the AIDS Program.
- Lessor:** Bay West Landmark Investors
- No. of Sq. Ft. and Cost/Month:** 16,558 sq.ft. @ \$1.34/sq.ft./mo. = \$22,077.33 rent/mo.
- Annual Cost:** \$264,928
- % Increase (Decrease) over 1989-90:** (4.7%)

**BOARD OF SUPERVISORS**  
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**Utilities and Janitor**

**Provided by Lessor:** Yes

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** No options remain. Lease will be renegotiated for FY 1991-92.

**Source of Funds:** 100% Federal Funds

**Comment:** The Real Estate Department, at the request of the DPH, is proposing to reduce the leased space by 742 square feet, from 17,300 sq. ft. to 16,558 sq. ft. to eliminate space that DPH does not require. The rental rate of \$1.34/sq. ft./mo. remains the same. The Real Estate Department reports that the Lessor has agreed to this reduction by letter agreement.

**Comments**

1. The Real Estate Department reports that none of the proposed rents exceed fair market value.

2. Line 13, Page 5 of the proposed legislation contains a clerical error. The annual rent required for Item 13 should be \$52,164.08, rather than \$134,983.08.

3. As noted earlier, Item 20 for the 1360 Mission Street, 4th Floor, lease should be deleted because the Board of Supervisors has previously authorized a ten-year lease effective through June 30, 2000.

**Recommendation**

Amend the proposed legislation to (a) change the amount on Line 13, page 5 of the proposed legislation from \$134,983.08 to \$52,164.08 to correct a clerical error, and (b) delete Item 20 for the 1360 Mission Street, 4th Floor, lease as noted in Comment 3, above, and approve as amended.



Item 19 - File 64-90-13

**Department:** Real Estate Department for various Departments as detailed below.

**Item:** Resolution authorizing the extension of six leases, as follows:

\*\*\*\*\*

(1) **Department:** Controller's Payroll and Internal Audits Division

**Location:** 160 South Van Ness Avenue, entire building

**Purpose of Lease:** Office Space

**Lessor:** Harlee Investment Company

**No. of Sq. Ft. and Cost/Month:** 15,000 sq. ft. @ \$0.67/sq. ft./mo. = \$9,975 rent/mo.

**Annual Cost:** \$119,700

**% Increase over 1989-90:** 3.7 percent

**Utilities and Janitor Provided by Lessor:** No

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Two, one-year extension options remain.

**Source of Funds:** General Fund (Controller's 1990-91 budget)

\*\*\*\*\*

(2) **Department:** Department of Public Works (DPW)

**Location:** 1975-99 Bryant Street

**Purpose of Lease:** Traffic Sign Shop

**Lessor:** Jack and LaVonne Keeney

**No. of Sq. Ft. and Cost/Month:** 21,162 sq. ft. @ \$0.39 ft. mo. = \$8,205 rent/month

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**Annual Cost:** \$98,460

**% Increase over  
1989-90:** 3.9 percent

**Utilities and  
Janitor Provided  
by Lessor:** No

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Three option periods remain

**Source of Funds:** General Fund (DPW 1990-91 budget)

**Comment:** The Real Estate Department reports that department jurisdiction of this lease will be transferred to the new Parking and Traffic Commission as of July 1, 1990.

\*\*\*\*\*

(3) **Department:** Public Works

**Location:** Army and DeHaro Street

**Purpose of Lease:** Storage of equipment and recycled road materials

**Lessor:** PG&E Company

**No. of Sq. Ft. and  
Cost/Month:** 170,000 sq. ft. @ \$0.019 sq. ft./mo. = \$3,300 rent/month

**Annual Cost:** \$39,600

**% Increase over  
1989-90:** None

**Utilities and  
Janitor Provided  
by Lessor:** No

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Five option periods remain

**Source of Funds:** DPW Street and Sewer Repair Budget (Gas Tax and Clean Water Program)

\*\*\*\*\*

- (4) **Department:** Department of Social Services (DSS)
- Location:** Lot 5, Assessor's Block 3531 (13th and South Van Ness beneath freeway)
- Purpose of Lease:** Parking for DSS employees who use vehicles in their work.
- Lessor:** State of California
- No. of Sq. Ft. and Cost/Month:** 34,420 sq. ft. @ \$0.046/sq. ft./mo. = \$1,600 rent/month
- Annual Cost:** \$19,200
- % Increase over 1989-90:** None
- Term of Lease:** July 1, 1990 - June 30, 1991
- Right of Renewal:** Annual - upon approval of funds. This is the 12th renewal of a 25-year lease.
- Source of Funds:** 25% General Funds, 25% State funds, 50% Federal fund (DSS's 1990-91 budget).

\*\*\*\*\*

- (5) **Department:** DSS
- Location:** Lot 74, Assessor's Block 3513 (between Valencia and Stevenson beneath freeway)
- Purpose of Lease:** Parking for DSS employees who use vehicles in their work.
- Lessor:** State of California
- No. of Sq. Ft. and Cost/Month:** 28,170 sq. ft. @ \$0.067/sq. ft./mo. = \$1,883 rent/month
- Annual Cost:** \$22,596
- % Increase over 1989-90:** 19 percent
- Term of Lease:** July 1, 1990 to June 30, 1991
- Right of Renewal:** Annual upon approval of funds. This is the 16th renewal of a 25-year lease.

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**Source of Funds:** 25% General Funds, 25% State funds, 50% Federal funds (DSS's 1990-91 budget).

**Comment:** The Real Estate Department reports that the rent increase of 19 percent reflects a rate increase which occurs once every five years.

\*\*\*\*\*

(6) **Department:** DSS

**Location:** 1440 Harrison Street, entire building

**Purpose of Lease:** Office Space

**Lessor:** Eden & Eden

**No. of Sq. Ft. and**

**Cost/Month:** 52,200 sq. ft. @ \$1.49/sq. ft./mo. = \$77,670 rent/month\*

**Annual Cost:** \$932,040

**% Increase over**

**1989-90:** 16 percent

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Annual upon approval of funds. This is the 16th renewal of a 25-year lease.

**Source of Funds:** 25% General Funds, 25% State funds, 50% Federal funds (DSS's 1990-91 budget).

\* Rate effective August 9, 1990. Current rent is \$66,750 per month.

**Comment:** The Real Estate Department reports that the rent increase of 16 percent reflects a rate increase which occurs once every five years.

\*\*\*\*\*

**Comment:** The Real Estate Department reports that the proposed rental rates reflect fair market value.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Item 1h - File 150-90-3

**Department:** Recreation and Park Department (RPD)

**Item:** Resolution authorizing the Recreation and Park Department to apply for, accept and expend a new State grant.

**Amount of Grant:** \$4,894,322. As noted in the Project Description below, the Board of Supervisors has previously authorized the RPD to accept and expend \$2,730,322 of the \$4,894,322. The amount of the new grant monies is actually \$2,164,000.

**Source of Grant:** State Department of Parks and Recreation, State Park Bond Act monies

**Project Description:** The proposed grant funds would be used for the acquisition of property, currently used as a garage and parking lot, located at 570 Ellis Street, for the development of a Tenderloin Playground and Community Center. The property is currently privately owned and is leased to the State for the State's motor pool.

The Board of Supervisors previously authorized the RPD to accept and expend California Wildlife, Coastal and Park Land Conservation Act of 1988 grant monies of \$1,220,000, and State Park Bond Act of 1986 monies of \$1,073,000 for a subtotal of \$2,293,000 (File 193-89-5) and State Urban Open Space and Recreation Program grant monies of \$437,322 (File 150-90-1) for a total of \$2,730,322, for the acquisition of this playground and community center in the Tenderloin area. The resolution for the \$2,293,000 in grant monies (File 193-89-5) did not authorize the RPD to use the grants monies for the development of the proposed new playground and community center. The proposed resolution would 1) authorize the RPD to apply for, accept and expend a new State Park Bond Act grant of \$2,164,000 and 2) authorize the RPD to use the total of \$4,894,322 (the proposed new funds of \$2,164,000 plus the previously-approved funds of \$2,730,322) for the acquisition and development of the proposed new Tenderloin playground and community center.

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**Project Budget:**      Available Funds

City's Open Space Fund	\$890,000
Previously Approved State Grant Funds	2,730,322
Proposed State Grant (this resolution)	<u>2,164,000</u>

Total Available Funds	<u>\$5,784,322</u>
-----------------------	--------------------

<u>Less Project Acquisition Costs</u>	<u>(3,500,000) *</u>
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<u>Remaining Available Funds for Development and Other Costs</u>	<u>\$2,284,322</u>
--	--------------------

\*Estimated

According to Mr. Tim Lillyquist of RPD, the Department estimates that, in addition to land acquisition costs, the development costs would be approximately \$3 million for the construction of a new recreational facility and development of a playground area. The RPD has prepared a preliminary budget for the development of the project, which is attached. Mr. Lillyquist reports that the Open Space Advisory Committee is committed to use Open Space Fund monies to fund the balance of approximately \$715,678 (\$3 million estimated development costs less remaining available funds of \$2,284,322).

Mr. Lillyquist reports that the Department had considered the possibility of converting the existing building (a garage) into a recreational center. However, it has been determined by the Department of Public Works that such a conversion would cost more than building a new facility due to the construction requirements needed to meet the City's earthquake safety standards. In addition, according to Mr. Lillyquist, RPD believes the conversion of the garage would result in a less functional facility than would be the case if a new facility were built.

**Indirect Cost:**      None

**Required Match:**      None.

**Comments:**      1. As previously noted, the Board of Supervisors has previously authorized the RPD to accept and expend \$2,730,322 of the \$4,894,322. Therefore, the proposed resolution should be amended to authorize the RPD to apply for, accept and expend new grant monies of \$2,164,000, and to authorize the RPD to use the total of \$4,894,322 (the proposed

**BOARD OF SUPERVISORS**  
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new funds of \$2,164,000 plus the previously-approved funds of \$2,730,322) for the acquisition and development of the proposed new Tenderloin playground and community center.

2. The RPD reports that the project has received a negative environmental declaration from the City Planning Department, and is in conformity with the City's Master Plan.

3. The RPD has prepared a Summary of Grant Request, which is attached (Attachment 2).

**Recommendation:** Amend the proposed resolution to authorize the RPD to apply for, accept and expend new grant monies of \$2,164,000, and to authorize the RPD to use the total of \$4,894,322 (the proposed new funds of \$2,164,000 plus the previously-approved funds of \$2,730,322) for the acquisition and development of the proposed new Tenderloin playground and community center, and approve as amended.



## TENDERLOIN PLAYGROUND &amp; CENTER

PRELIMINARY  
Project Budget

Program and Planning	\$ 25,000
Bureau of Architecture Design	180,000
Engineering	65,000
Landscape	60,000
Soils/Survey	25,000
Construction	2,075,800
Construction Contingency	208,000
Administration (DPW)	150,000
Inspection (DPW)	90,000
Misc. Fees (Art Commission, PG&E, City Planning, plan check etc.)	121,200
	<hr/>
PROJECT TOTAL	\$3,000,000

Item No. \_\_\_\_\_

Summary of Grant Request

Grantor State Parks & Rec.  
Contact Person Betty Ettinger  
Address P.O. Box 2390  
Sacramento, CA 95814  
Amount Requested \$ 2,164,000  
Term From 7/90 To 7/94

Division Administration  
Section Grants  
Contact Tim Lillyquist  
Telephone 666-7080  
Application Deadline 7/1/90  
Notification Expected 8/1/90

Board of Supervisors: Finance Committee 6/6/90  
Full Board 6/11/90

I. Item Description:

Request to apply for, accept and expend a new grant in the amount of \$2,164,000 from the period of 7/90 to 7/94 to construct a playground and recreation center in the Tenderloin.

II. Summary:

A total of \$4,894,000 has/will be granted by the State Department of Parks and Recreation for the acquisition and development of a playground and recreation center in the Tenderloin

III. Outcome/Objectives:

A new playground and recreation center will be constructed in the Tenderloin.

IV. Effects of Reduction or Termination of these Funds:

This facility would not be possible using only local funds.

V. Financial Information:

	Col. A. 2 Years Ago	Col. B. Past Yr./Orig.	Col. C. Proposed	Col. D. Change	Req. Match	Appr. by
Grant Amount				2,164,000		
Personnel				NA		
Equipment				NA		
Contract Svc.				NA		
Mat. & Supp.				NA		
Fac. & Space				NA		
Other				NA		
Indirect Costs				NA		

Attachment 2

Page 2 of 2

VI. Data Processing:\_\_\_\_\_  
NAVII. Personnel

F/T CSC

\_\_\_\_\_  
NA

P/T CSC

\_\_\_\_\_  
NA

Contractural

\_\_\_\_\_  
NA

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

\_\_\_\_\_  
NA

Will grant funded employees be retained after this grant terminates? If so, How?  
No grant funded employees

VIII. Contractural Services: Open Bid  X  Sole Sources \_\_\_\_\_

0523X

Item 2 - File 101-89-33.1

**Note:** This item was continued from the Finance Committee meeting of May 23, 1990, pending details regarding the selection of Vanir CM, a construction management consulting firm.

**Department:** Sheriff

**Proposed Action:** Release of reserved funds previously approved for capital improvement project start-up costs. The funds were reserved pending the submission of details regarding the proposed expenditures.

**Amount:** \$410,149

**Source of Funds:** Reserve for Public Safety established as part of the City's 1989-90 Annual Budget process.

**Description:** In the 1989-90 budget, a \$3.6 million Public Safety Reserve was established to fund local match requirements, including \$2.3 million to match State Jail Construction Bond Funds. In October, 1989, the Board of Supervisors approved a supplemental appropriation (File 101-89-33) of \$2,179,000 of the Public Safety Reserve to match State Jail Construction Bond Funds authorized by State Proposition 52. Of the \$2,179,000 in local funds which were appropriated, \$410,149 was placed on reserve pending the submission of details regarding the proposed use of those funds. The balance of \$1,768,851 has been encumbered for Proposition 52 pre-construction costs, including contractual services for pre-design planning, site testing, environmental review and architectural design services, and City Planning Department, Bureau of Architecture, Real Estate Department and Bureau of Engineering services for the Proposition 52 projects described below.

Proposition 52 funds may only be used for construction costs. All architectural and engineering fees, environmental review costs, construction management and other non-construction costs associated with the Proposition 52 construction are to be funded by the City. The City's receipt of the Proposition 52 funds is contingent on the City having the 25 percent local match available by March 31, 1991, and having the construction contracts signed by March 31, 1991.

In September of 1989, the Board of Supervisors passed a resolution (File 68-89-9) establishing the City's goals for using the City's \$22.5 million State allocation of Proposition 52 funds as follows:

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

<u>Expansion of Work Furlough Program</u>	\$11,330,000
Purchase and renovation of a building to expand the Work Furlough Program.	
<u>Long Term Medical - Psychiatric Facility</u>	3,750,000
Create a new long term medical/psychiatric facility as required by the Consent Decree.	
<u>Fire and Life Safety Improvements - Hall of Justice</u>	1,500,000
Renovations to improve fire and life safety conditions including the smoke removal system, shower replacement and remodeling the short term medical and pharmacy facilities.	
<u>Service Building and Life Safety Improvements San Bruno County Jail #3</u>	6,000,000
Construction of a services building to house a kitchen, power plant, and laundry plant. Improvements to the water, sewage and heating systems of the existing buildings.	
Total	\$22,580,000

In order to obtain the \$22,580,000 State allocation, Proposition 52 requires a local match of 25 percent, or approximately \$7,500,000, of which the Board of Supervisors has previously authorized an appropriation of \$2,179,000 for preliminary design and planning costs related to the Proposition 52 construction. The funding source for the balance of the match of approximately \$5,321,000 has yet to be identified. Based on the preliminary design and planning work that has been performed to date, the Sheriff's Department 1) has decided to combine into one new multi-purpose building the Work Furlough Program and Long Term Medical-Psychiatric Facility, 2) has decided to perform the Fire and Life Safety Improvements at the Hall of Justice as planned, and 3) has determined that the proposed Service Building and Life Safety Improvements for the San Bruno County Jail #3 are not feasible at this time.

The Sheriff's Department proposes to construct the new multi-purpose building on a site adjacent to the Hall of Justice, which currently contains basement level and surface parking for the Police, Sheriff and the Courts. During construction of the proposed new multi-purpose building, the existing parking spaces will need to be temporarily replaced.

Additionally, although the proposed new multi-purpose building will contain some replacement parking, some parking will need to be replaced on a permanent basis.

The Sheriff's Department is now requesting the release of the reserved \$410,149 to be used for additional pre-construction contractual and City department services related to the new multi-purpose Work Furlough and Long Term Medical-Psychiatric Facility building, including the parking leases, and the Fire and Life Safety Improvements at the Hall of Justice, as follows:

Contractual Services

Construction Management consulting services during the design and bidding stages for the new multi-purpose Work Furlough and Long Term Medical-Psychiatric Facility building:

	<u>Hours</u>	<u>Rate</u> <u>(\$/hr)</u>	<u>Total</u>
Design Phase (5/90 - 1/91)			
Principal-In-Charge	80	\$130	no cost *
Project Manager	200	92	\$18,400
Scheduler	128	82	10,496
Estimators	480	85	40,800
Value Engineers	240	85	20,400
Secretary	160	33	5,280
Bid and Award Phase (1/91 - 3/91)			
Project Manager	84	92	7,728
Construction Manager	172	88	15,136
Secretary	40	33	1,320
Project Expenses			<u>10,000</u>
Subtotal Contractual Services (5/90 - 3/91)			\$129,560

\* Estimated hours that the Principal-in-Charge would spend on the project, but would not be billed to the City.

City Services

Real Estate Department  
Department service fees and leasing costs for three Caltrans lots and one private lot for the temporary replacement of parking at the Hall of Justice during the

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construction of the new multi-purpose Work Furlough and Long Term Medical-Psychiatric Facility building, and two Caltrans lots for long term replacement of displaced parking spaces. Caltrans has agreed to a two-year lease for the three lots, with an option for a five-year lease. The Real Estate Department has not yet received a response from the private lot owner. The lease schedule is as follows:

	No. of <u>Stalls</u>	No. of <u>Sq.Ft.</u>	<u>Start</u> <u>Date</u>	<u>Monthly</u> <u>Rate</u>	<u>Annual</u> <u>Cost</u>
Caltrans Lots					
A	64	24,800	7/1/90	\$2,480	<u>\$29,760</u> *
* Rent for Lot A is to be funded by the Police Department, and therefore is excluded from the total requested by the Real Estate Department.					
B	112	29,250	9/1/90	2,925	35,100
C	113	31,300	10/1/90	3,130	37,560
Private Lot	44	14,800	8/1/90	3,700	<u>44,400</u>
Total Requested for Parking Lot Leases					\$117,060

In addition, the Real Estate Department is requesting a fee for its lease management services. 6,000

Total Real Estate Department Fees \$123,060

#### City Attorney

The City Attorney is requesting fees for services for the consent decree issues related to the Long Term Medical-Psychiatric Facility which have already been provided during FY 1989-90 and which are to be provided during FY 1990-91, as follows:

FY 1989-90	
291 hours @ an avg. of \$86/hour	\$25,046
FY 1990-91	
1,395 hours @ an avg. of \$94.97/hour	<u>132,483</u>
Subtotal City Attorney Fees	<u>157,529</u>
Total Release of Reserved Funds	\$410,149

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**Comments:**

1. The Sheriff's Department plans to complete the pre-construction phase for the new multi-purpose Work Furlough and Long Term Medical-Psychiatric Facility building and for the Fire and Life Safety Improvements at the Hall of Justice by December, 1990 and to begin construction of these two Proposition 52 projects in March, 1991. As previously noted, the State requires that the construction contracts be signed by March 31, 1991.

2. According to Mr. Dick Rodriguez of the Real Estate Department, the Real Estate Department will be bidding for the Caltrans lots on a competitive basis during the first week of July, 1990, and therefore the City is not guaranteed of acquiring the lease of the property for the parking lots. In addition, Mr. Rodriguez indicates that the Real Estate Department will be meeting with the owner of the private lot during June, 1990 to negotiate the actual cost of the lease. Mr. Rodriguez states that the Real Estate Department would not require the funds totalling \$123,060 to be released for the parking lot leases and the Real Estate Department lease management services until the leases arrangements have finalized, which is estimated to be during the first week of July, 1990. Therefore, the funds totalling \$123,060 for the Real Estate should not be released at this time.

3. According to Lt. Jan Dempsey of the Sheriff's Department, a firm called Vanir CM has been selected as the Construction Management Consultant for the design and bidding stages for the new multi-purpose building. Lt. Dempsey reports that Vanir CM was initially selected as one of the subcontractors for a larger planning and design contract, which was selected through an expedited process due to the limited Proposition 52 time frame. At the advise of the City Attorney, the Department subsequently severed Vanir CM from the larger contract in order to establish Vanir CM as an independent contractor. Vanir CM's scope of services includes monitoring the work of the planning and design contractor. The Bureau of Architecture reports that Vanir CM is not a certified MBE/WBE firm.

4. As noted earlier, the City Attorney is requesting \$25,046 for services provided during FY 1989-90, and therefore would be receiving payment on a retroactive basis for the services already provided. In further discussions with Lt. La Vigne regarding the actual services that have been provided during FY 1989-90 by the City Attorney, Lt. La Vigne requests that only \$25,046 be released for the City Attorney services at this time. Lt. La Vigne reports that the Sheriff's Department will

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pay for FY 1990-91 City Attorney services based on actual hours of services provided.

5. The \$410,149 was placed on reserve specifically for Facilities Maintenance on Capital Improvement Projects at the San Bruno Jail #3, which, as previously noted, the Sheriff's Department is no longer addressing with the Proposition 52 monies. Mr. John Madden has indicated that the Controller's Office would make the necessary adjustments to release the reserved funds to the proper accounts as authorized by the Finance Committee.

**Recommendation:** Based on Comments 2 and 4, release a total of \$154,606 for the contractual services with Vanir CM (\$129,560) and for the City Attorney services (\$25,046), but continue to reserve a total of \$255,543, \$123,060 for the Real Estate Department and \$132,483 for uses to be determined by the Sheriff's Department.

Item 3 - File 203-90-1

**Note:** This item was continued from the May 30, 1990, Finance Committee meeting.

**Department:** Real Estate Department

**Item:** Ordinance authorizing a quitclaim deed by the City and County of San Francisco to the San Francisco Unified School District for the Galileo High School site and adopting findings pursuant to City Planning Code Section 101.1.

**Subject Property:** The property is designated as Assessor's Block 454 and 475, also known as the Galileo High School site (see attached).

**Description:** The proposed ordinance would authorize the Director of Property to execute a quitclaim deed by which the City would release all rights, title and interest in the Galileo High School site to the San Francisco Unified School District. The Galileo High School site was purchased as a public school property in 1920 and 1924 with funds from the School Construction Fund Bond Issue of 1918.

The Department of City Planning has reported that the execution of the quitclaim deed is in conformity with the Master Plan and consistent with the Eight Priority Policies of Planning Code Section 101.1.

**Comment:** Mr. Robert Haslam of the Real Estate Department reports that his Department, in consultation with the City Attorney, has determined that the San Francisco Unified School District is the true owner of the Galileo High School site. The City holds title to the school site merely as a trustee, and therefore any interest the City has in the school site is of no value.

**Recommendation:** Based on the advice of the City Attorney's Office and the Real Estate Department, approve the proposed ordinance.

NORTH POINT

68'9"

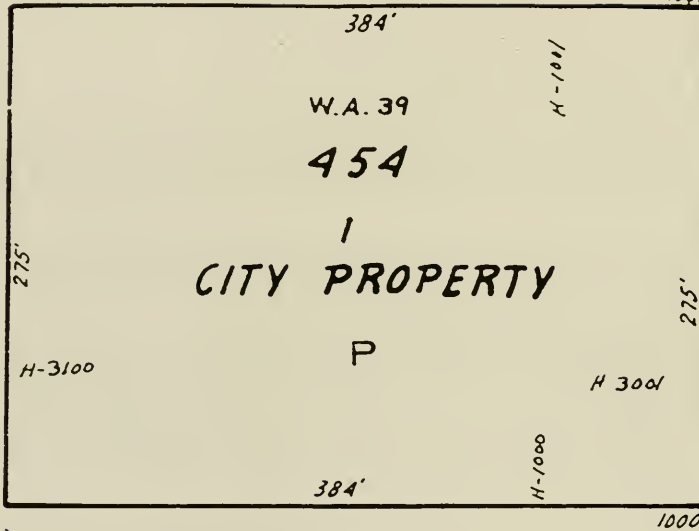
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68'9"

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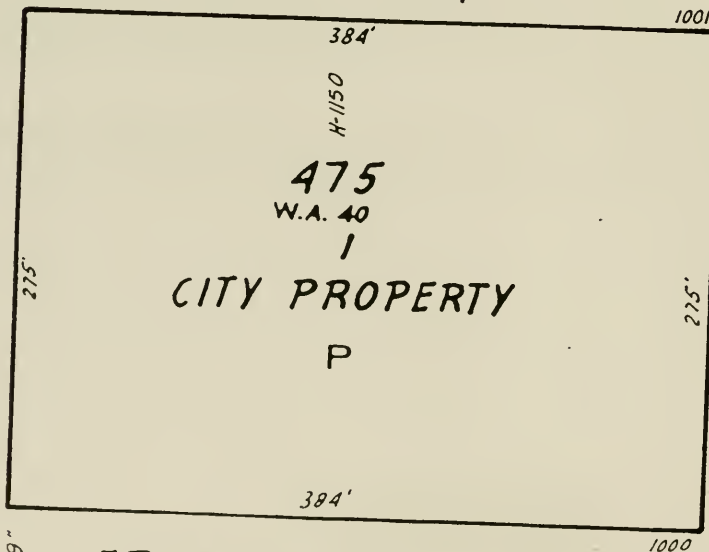


68'9"

BAY

BAY

1001



68'9"

FRANCISCO

1000

POLK

325'	87'6"	2
100'	H-2967-95	10
100'	H-3062-4	9A
25'	H-3046-8	3B
25'	H-3052	7
25'	H-3050	6
30'	H-3030	5A
107'6"	5C	5B
61'6"	H-990	40'
107'6"	H-970	107'6"

50'	87'6"	17/24
50'	H-2960	17/24
25'	RM-1	17/24
25'	H-2946-86C	6B
25'	H-2942-4	6B
378'	H-2936	RM-1
50'	H-2920	5B
50'	H-1090	5A
50'	H-1080	5C
50'	H-1080	5B
50'	H-1080	5B

Item 4 - File 97-90-12

- Department:** Department of Public Works (DPW)  
Bureau of Building Inspection (BBI)
- Item:** Proposed ordinance amending the San Francisco Administrative Code by repealing Article X, which establishes a board to hear appeals involving enforcement of State handicapped access regulations; amending Chapter 1 of the San Francisco Municipal Code (Building Code) by adding Section 215 re-enacting the provisions of San Francisco Administrative Code Article X with modifications authorizing the board to hear matters involving enforcement of local handicapped access regulations, providing for compensation to board members, and setting forth appeal procedures; amending Part II, Chapter 1 of the San Francisco Municipal Code (Building Code) by amending Section 332.3 to add a fee for filing an appeal to the board.
- Description:** The proposed ordinance would delete Article X from the San Francisco Administrative Code and amend Section 215 of the Building Code to give the Handicapped Access Appeals Board jurisdiction to review both the State and local requirements on disability access. The proposed amendments would:
- Provide for compensation to Handicapped Access Appeals Board members of \$50 per meeting attended. The Board consists of five members appointed by the Board of Supervisors (4) and by the Mayor (1). Presently, the members of the Handicapped Access Appeals Board serve without compensation.
  - Clarifies the powers and duties of the Handicapped Access Appeals Board. The proposed amendments clarify the Building Code language to specifically describe its responsibilities for approving or disapproving the Bureau of Building Inspection's interpretations of the State Health and Safety Code, which contain provisions for handicapped access and adaptability. The amendments would also consolidate the responsibility of interpreting accessibility issues with the Handicapped Access Appeals Board. Presently, the local code provisions divide the responsibility between the Handicapped Access Appeals Board and the Board of Examiners for BBI.
  - Provides for an appeals procedure. The proposed amendments would require appeals to be made in writing and filed with the Secretary to the Handicapped Access Appeals Board. Presently, the Building Code does not provide for appeals procedures.

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- Sets a Handicapped Access Appeals Board filing fee of \$125 per case. Presently, the Building Code does not provide for Handicapped Access Appeals Board filing fees.

**Comments:**

1) Mr. Richard M. Skaff, Disability Access Coordinator for the Bureau of Building Inspection, advises that the Handicapped Access Appeals Board meets 12 times each year, which would result in a maximum annual cost of \$3,000 to compensate the Board members at \$50 each per meeting.

2) The Board reviews between three and fifteen cases per month. Based on the proposed filing fee of \$125 per case, approval of the proposed ordinance would generate revenues ranging between \$4,500 per year and \$22,500 per year. These revenues would be used to offset the maximum annual cost of \$3,000 for compensating the Handicapped Access Appeals Board members as well as to partially offset BBI's administrative costs for the Disability Access Coordinator and the Secretary, which are estimated at \$178 per case.

**Recommendation:** Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

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Item 5 - File 101-89-138

**Department:** Employers' Retirement System (ERS)  
**Item:** Supplemental Appropriation Ordinance  
**Amount:** \$885,300  
**Source of Funds:** General Fund - General Reserve

**Description:** The Employees Retirement System (ERS) has determined that there are two anticipated shortfalls in the ERS 1989-90 budget as follows:

Workers Compensation Costs	\$785,300
City Attorney Services	<u>100,000</u>
Total	\$885,300

The ERS Workers Compensation Division administers the provisions contained in the California Labor Code relative to industrial injuries sustained by employees. These benefits include medical payments, indemnity payments and rehabilitation. All employees of the City and County of San Francisco, and the San Francisco Unified School District, receive treatment at the Franciscan Treatment Room at St. Francis Hospital for job-incurred injuries or illnesses. In addition to providing for the care and treatment of injured employees, the Workers Compensation Division processes all injury claims and determines eligibility for Workers Compensation benefits and then disburses payments for medical and other expenses incurred as a result of work-related injuries or illnesses.

The General Fund augments Workers Compensation costs which are the result of work-related injury payments for medical services, and temporary and permanent disability benefits.

The 1989-90 annual budget for Workers Compensation benefits and the actual and projected amount of expenditures for that time period identify an anticipated shortfall of \$785,300 as follows:

Workers Compensation Costs:	
Actual, July - December 1989	\$4,673,713
Projected January - June 1990	<u>5,270,280</u>
Subtotal	\$9,943,993
Less: Workers Compensation Budget (1989-90)	<u>9,158,693</u>
Total Anticipated Shortfall	\$785,300

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Based on previous experience, ERS is estimating the second six months at approximately 12.76% higher than the first six months for a total of \$5,270,280.

The additional funds for legal services are being requested by the City Attorney's Office based on actual expenditures in handling Workers Compensation cases during the first six months of the current budget year, July through December, 1989. The 1989-90 annual budget for Workers Compensation legal fees and the actual and projected amount of expenditures for such fees identify an anticipated budget shortage of \$124,990 as follows:

Cost of City Attorney's Office Provided to ERS:

Actual, July - December 1989	\$491,754	
Projected January - June 1990	<u>491,754</u>	
Subtotal		\$983,508
Less: Budgeted Costs of City Attorney's Office for ERS		<u>858,518</u>
Total Anticipated Budget Shortfall		\$124,990

Comments:

1. ERS has provided more recent data on Workers Compensation costs as follows:

Workers' Compensation Costs:		
Actual, July 1989 - April 1990	\$8,509,376	
Projected, May - June 1990	<u>1,701,875</u>	
Subtotal		\$10,211,251
Less: Workers' Compensation Budgeted Funds		<u>9,158,693</u>
Total Anticipated Budgetary Shortfall		\$1,052,558
Less: Supplemental Appropriation Requested		<u>785,300</u>
Total Additional Anticipated Budgetary Shortfall		\$267,258

2. According to data provided by ERS, the three departments with the largest shortfall in budgeted funds for Workers Compensation payments, totalling \$1,059,600, are as follows:

Police	\$531,552
Fire	396,947
Public Health (Central Office)	<u>131,101</u>
Total	\$1,059,600

3. Mr. Keith Grand, the City's Risk Manager, has developed an Injury Prevention Program (IPP) which is intended to provide a safe and healthy work environment for all City employees and to control the incidence of claims and the costs of Workers Compensation. The IPP meets recent State requirements that the City establish an effective injury prevention program. For San Francisco, the IPP would be coordinated City-wide by an existing Occupational Safety and Health Program Manager in the Department of Public Health. The IPP includes evaluating workplace hazards, accident investigation, correcting unsafe conditions, safety training programs and ensuring safe work practices.

4. According to Mr. Grand, the Chief Administrative Officer (CAO) submitted a recommended IPP to the Mayor's Office in April of 1990. The CAO has advised the Mayor that such a plan should substantially reduce Workers Compensation claims. In the 1990-91 DPH Central Office budget, two new positions, one 6137 Assistant Industrial Hygienist and one A118 Safety Engineer, have been recommended by the Mayor to implement the provisions of the IPP.

5. According to Mr. Edward Johnson in the City Attorney's Office, actual costs for City Attorney services during the first nine month of the current fiscal year, a projection for the remaining three months and the anticipated shortage are as follows:

Revised Costs of City Attorney's Office  
Provided to ERS:

Actual (July 1989 - March 1990)	\$740,870	
Projected (April - June 1990)	<u>246,957</u>	
Subtotal		\$987,827
Less: Budgeted Costs of City Attorney's Office for ERS		<u>858,518</u>
Total Anticipated Budgetary Shortfall		\$129,309
Less: Supplemental Appropriation Requested		<u>100,000</u>
Total Additional Anticipated Budgetary Shortfall		\$29,300

**Recommendation:** Approve the proposed Supplemental Appropriation.

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Item 6 - File 101-89-139

**Department:** Employees' Retirement System (ERS)  
**Item:** Supplemental Appropriation Ordinance  
**Amount:** \$150,000  
**Source of Funds:** Pension Trust Fund (Unreserved Balance)

**Description:** The City Attorney's Office advises the Retirement Services Division of the Employees Retirement System (ERS) on matters pertaining to tax law and complex investment issues and represents ERS in cases involving disability retirement, disability leave, and death benefits. Further ERS requires legal counsel to provide advice in divorce cases involving retirement benefits for its members.

Based on current billings and projected costs through the end of the current fiscal year, ERS and the City Attorney's Office have estimated a budget shortage of at least \$150,000 for legal services provided by the City Attorney's Office to the ERS as follows:

Costs of City Attorney's Office Provided to ERS:

Actual, July 1989 - March 1990	\$258,882	
Projected April - June 1990	<u>86,294</u>	
Subtotal		\$345,176
Less: Budgeted Costs of City Attorney's Office for ERS	<u>188,560</u>	
Total Anticipated Budgetary Shortfall		\$156,616
Less: Supplemental Appropriation Requested	<u>150,000</u>	
Additional Anticipated Budgetary Shortfall		\$6,616

**Comments:** 1. According to Ms. Clare Murphy, General Manager of the Retirement System, legal services to the Retirement System have increased from one full time attorney to more than two full time attorneys during the last two years. In addition to routine benefit issues, there are generally pending 125 disability pension cases with an average value of \$100,000 per case and 350 dissolution cases involving member divorce cases.

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2. Ms. Murphy also advises that legal services were required during the current fiscal year to provide counsel on special issues including:

ERS has entered into specialized real estate investments including residential and industrial shared investment opportunities which require detailed legal review.

Changes in fiduciary requirements have necessitated additional legal services for the review of proxy issues associated with the various ERS investments.

The implementation of IRS 414(h)(2), which allows deferred tax treatment of employee pension contributions, requires the oversight of a Deputy City Attorney specializing in benefit issues.

**Recommendation:** Approve the proposed Supplemental Appropriation Ordinance.

Item 7 - File 101-89-142

**Department:** Public Utilities Commission (PUC)  
Municipal Railway (MUNI)

**Item:** Supplemental Appropriation Ordinance

**Amount:** \$282,542

**Source of Funds:** Municipal Railway Operating Fund (Capital Improvement Project)

**Description:** The Municipal Railway (MUNI) has requested the reappropriation of funds from the McAllister Street Contra-Flow Lane project to a new project for the acquisition and transportation of PCC streetcars from the Southeastern Pennsylvania Transportation Authority (SEPTA).

The McAllister Street Contra-Flow Lane project was one of four projects allocated from the settled litigation with the Tishman Liquidating Corporation (TLC) dealing with TLC's failure to provide direct access between 525 Market Street and the BART/MUNI Montgomery Street station per the City Planning Commission's approval of the Construction of 525 Market Street. The amount of the settlement allocated to the McAllister Street Contra-Flow Lane project was \$332,542. Subsequently, the Public Utilities Commission (PUC) approved the transfer of \$50,000 from this allocation to the purchase of ten historic streetcars from Melbourne, Australia leaving a balance of \$282,542.

The funds for the contra-flow lane were to be used for new trolley wires and hardware, street signs and street markings to create a MUNI-only lane eastbound on McAllister Street from Hyde Street to Market Street to allow the inbound 5-FULTON route to continue directly down McAllister Street rather than using the current less direct route via Hyde Street to Market Street. After further study, MUNI has decided that it does not wish to pursue this project as it would cost considerably more than was appropriated and poses safety concerns that cannot be easily mitigated.

MUNI has concluded that the purchase of the used PCC streetcars from the Southeastern Pennsylvania Transportation Authority (SEPTA) in Philadelphia for use on the F-MARKET & WHARF streetcar line currently under development would be more economical than rehabilitating PCC streetcars previously retired from MUNI service. SEPTA has indicated its willingness to sell 20 streetcars to

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MUNI and it is expected that the available \$282,542 will be sufficient to purchase and transport the 20 streetcars. It is currently estimated that each streetcar will cost approximately \$14,000.

In addition, funding will likely be obtained from Federal and/or State grants programmed by the Metropolitan Transportation Commission (MTC) to rehabilitate the used streetcars to be acquired from SEPTA, but the subject request for funding is required prior to the receipt of those grants to assure the acquisition of the streetcars from SEPTA.

**Comments:**

1. According to Mr. Fred Howell of MUNI, one of the 20 SEPTA streetcars will be purchased, modified to standard gauge, and shipped to San Francisco in the near future along with parts, maintenance instructions and vendor lists. The shipment of one SEPTA streetcar will allow MUNI to evaluate the overall cost of rehabilitation to meet local requirements. The total cost for the purchase, modification, parts, shipment and instructions will cost \$53,000.

2. Mr. Howell advises that preliminary estimates indicate that it would cost between \$200,000 to \$250,000 to rehabilitate each SEPTA streetcar. This amount would be much lower than the estimated \$360,000 rehabilitation cost for each PCC streetcar previously retired from MUNI service.

**Recommendation:** Approve the proposed Supplemental Appropriation.



Items 8 and 9 - Files 101-89-143 and 101-89-144

**Department:** District Attorney and Police

**Items:** Supplemental Appropriation Ordinances to fund various narcotics abatement and education projects in 1990-91

<b>Amounts:</b>	File 101-89-143	\$47,966
	File 101-89-144	<u>640,448</u>
	Total	\$688,414

**Source of Funds:** Narcotics Forfeiture and Asset Seizure Fund

**Description:** As recommended by the Police Commission and the Executive and Narcotic Asset Forfeiture Fund Committees of the Mayor's Criminal Justice Council, the proposed supplemental appropriation ordinances would allocate \$688,414 from the Narcotics Forfeiture and Asset Seizure Fund for 1990-91. The projects to be funded in 1990-91 are as follows:

File 101-89-143

District Attorney

<u>Special Prosecution Fund</u>	\$ 47,966
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The State-mandated Special Prosecution Fund pays investigation and litigation expenses such as expert victim/witness travel expenses. The District Attorney estimates that there will be a shortfall in this Fund to be met by the proposed supplemental appropriation as follows:

1989-90 Budget	\$143,154
Less Projected Expenditures:	
Actual Expenditures from 7/1/89 through 1/31/90	111,482
Projected Expenditures from 2/1/90 through 6/30/90	<u>79,638</u>
Estimated Budgetary Shortfall	\$ 47,966

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As of December 19, 1989, \$27,507 of Special Prosecution Fund costs were for narcotic cases. The projected costs for narcotics-related cases for the full year (1989-90) is \$58,215.

File 101-89-144

District Attorney

Asset Forfeiture Action Prosecution

\$143,299

The Board of Supervisors previously approved a Supplemental Appropriation Ordinance (File 101-88-135) to appropriate Narcotics Forfeiture and Asset Seizure Fund monies to fund two District Attorney's positions to facilitate, process and prosecute asset forfeiture actions through the State Courts. The proposed supplemental appropriation would continue to fund the two positions for 1990-91 from July 1, 1990, through June 30, 1991, as follows:

8180 Principal Attorney	\$ 82,228
8132 District Attorney Investigator	
Assistant	32,302
Mandatory Fringe Benefits	<u>28,769</u>
Total	\$143,299

Police Department

Narcotics Division Operation Expenses

\$207,300

The proposed supplemental appropriation would fund certain 1990-91 expenses of the Police Department, Narcotics Division, as follows:

Vehicle storage rental - The Police Department rents 500 square feet of secured warehouse space from the Navy at the Hunters Point Naval Shipyards to store seized vehicles until title to the vehicles can be transferred to the City. Rent is \$1,000 per month for twelve months.

\$ 12,000

Materials and supplies for investigations:

400 Rolls of 35 mm film	\$1,200	
Video tape	200	
Polaroid film	200	
4 binoculars	1,000	
8 tape recorders	1,200	
Specialized batteries	1,500	
Narcotic Test Kits	<u>500</u>	
Total		\$5,800
Pager rental - Division currently has ten pagers and anticipates obtaining additional pagers for specialized operations (15 pagers @ \$146 per pager).		2,200
Cellular phones - eight phones @ \$94 per month each		9,000
Copy machine rental - three copiers @ \$208 per month		7,500
Rent for 1815 Egbert Street at \$734 per month for 12 months. Provides space for Narcotics Enforcement Task Force.		8,800
Vehicle Maintenance for 60 vehicles @ \$124 per month		89,000
Janitorial Service - \$2,500 per month for 12 months		30,000
Utilities - \$2,900 per month for 12 months		35,000
Yearly trunking cost for telephone system.	<u>8,000</u>	
Total Operating Expenses		\$207,300

Drug Education Project

\$100,000

The Police Department will apply for a \$45,000 State Office of Criminal Justice Planning (OCJP) grant in 1990-91 that requires a 100 percent match, for a total cost of \$90,000. The Police Department has received three such grants through June 30, 1990, for drug education. The \$90,000 grant budget is attached (Attachment I).

The remaining \$55,000 (\$100,000 proposed funding less \$45,000 for OCJP grant) would be used to partially fund the Drug Education Project's \$288,585 estimated budget for 1990-91 (Attachment II).

Computer Equipment

\$3,150

The Crime Laboratory maintains all narcotics records on a microcomputer. However, computer storage will be completely filled within a few months. An additional computer hard disc unit is needed to store narcotics records, which must be retained for eight years.

Fingerprint Processor

19,703

Experience has shown that narcotics traffickers use runners to insulate themselves from actually handling drugs when deliveries are to be made. In order to strengthen cases against the traffickers, scientific analysis is needed by the Crime Scene Investigation against the traffickers. A micro video camera and processor to illuminate fingerprints can increase the likelihood of lifting fingerprints from drug packages and decrease the time required to process evidence. The Crime Scene Investigation Unit requires the following new equipment to improve fingerprint analysis:

Miros KH-200 Video Processor	
and Miros Mx-1-50Z Video Scope	\$15,000
Custom Design Fuming Chamber	3,500

Sales Tax	<u>1,203</u>
Total	\$19,703

Dial Number Recorder

\$7,953

One of the investigative techniques available in the war against drugs is the Dial Number Recorder. The Dial Number Recorder records numbers that are dialed from a telephone, the time that the call was placed and the duration of the call. The phone company, under a court order, would identify the phone lines used and transmit that data, by means of a dedicated line, to the Hall of Justice and logs the data onto a computer. Such data can provide a pattern used by a violator that would identify people associated with drug trafficking. The proposed Dial Number Recorder package includes the following:

MITEL Discovery Dial Number Recorder including software package and technical manual	\$2,866
2 Two-line expansion modules	1,632
4 Auxiliary serial ports	1,624
5 Standard loop extenders	1,312
Discovery to RS-232 Device cable	33
Sales Tax	<u>486</u>
Total	\$7,953

Boedekker Park Policing

\$82,543

The requested funds would be used to station one Police Officer, on overtime, at the park eight hours each weekday, from 10:00 a.m. to 6:00 p.m., and six hours each weekend day, from noon to 6:00 p.m., to protect the park from narcotics sales and use and related crime that has plagued the area. The Police Activities League (PAL) has volunteered equipment and personnel to conduct an anti-drug education program in the Boedekker Park area. The proposed funding would provide for the following costs:

2,347 regular overtime hours	
@ \$30.21	\$70,894
365 overtime hours with shift	
differential @ \$31.47	11,486
Unemployment Insurance	<u>163</u>
Total	\$82,543

Oceanview Playground PAL Program

59,500

The Board of Supervisors previously approved a Supplemental Appropriation Ordinance (File 101-89-78) to fund the Oceanview Playground PAL Program through June 30, 1990. The proposed supplemental appropriation would fund the program for 1990-91. The PAL Program at the Oceanview Playground places uniformed Police Officers at the Playground in connection with PAL recreation and activities programs to provide a visible deterrent to drug dealing at the playground, to perform actual law enforcement, primarily drug traffic-related and to participate in the PAL recreation activities. PAL recreation activities, directed by off-duty police officers, include basketball, boxing, karate, tennis, and track and field. Overtime costs for one Police Officer working an

average of four hours each day of the  
year are as follows:

802 regular overtime hours @ \$30.21	\$24,233
1,121 Overtime hours with shift differential @ \$31.47	<u>35,267</u>
Total	<u>\$59,500</u>

PAL Boxing

\$17,000

The Board of Supervisors previously approved a Supplemental Appropriation Ordinance (File 101-89-64) to fund the PAL Boxing Program through June 30, 1990. San Francisco Police Officers teach boxing, related athletic training skills and provide counseling to a minimum of 60 youth, between nine and fourteen years of age who are at risk of involvement in drug or gang activities. The Program is provided two days a week for two hours per day at three sites in the Western Addition, Hunter's Point and Sunnysdale. Each of six Police Officers is responsible for working four overtime hours per week. Two Police Officers are assigned to each of the three sites. The proposed supplemental appropriation would provide for 563 hours of police overtime at the rate of \$30.21 per hour.

Total Supplemental Appropriation  
Request

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\$688,414

**Comments:**

1. As of May 30, 1990, the Narcotics Forfeiture and Asset Seizure Fund had an uncommitted balance of \$702,819.
2. As mentioned above, the Police Commission and the Executive and Narcotic Asset Forfeiture Fund Committee of the Mayor's Criminal Justice Council have recommended the proposed items for 1990-91.

**Recommendation:** Approve the proposed supplemental appropriation ordinances.

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1990-1991 O.C.J.P. ISP GRANT  
BUDGET FOR GRANT EXPENDITURES

1. Parent drug education component and Center for Human Development Curriculum and presentation.	..... \$55,540.00
2. Overtime for eight officers to present curriculum to 2nd, 3rd 4th, and 5th grades	..... \$39,600.00
3. Counseling program for targeted at risk elementary school children and families - component required by CCJP	..... \$ 6,560.00
4. Indirect cost to City and County of San Francisco	..... \$ 4,500.00
5. Travel to OCJP seminars- required CCJP component	..... \$ 2,500.00
6. City and County of San Francisco audit	..... \$ 1,500.00
	<u>\$90,000.00</u>

W0054t

ITEM 1

50 sets of K-1 Here's Looking at You 2000 teacher training kits for non-public schools: (this will complete K-5 which the public schools have already completed.)

Cost \$44,855.55

Source: Comprehensive Health Education Foundation (CHEF)

Contact: Shelley (206) 824-2907

75 Lesson curriculum guides for new teachers and replacement of damaged curriculum guides. For public and non public schools.

Cost \$1,915

Source: Comprehensive Health Education Foundation (CHEF)

Contact: Shelley (206) 824-2907

ITEM 2

These officers (assigned from the Patrol Division) will spend one day a week at their assigned school for 5 weeks. 1990-1991 approximately 40 schools (public and non public) will be assigned to these part-time officers.

Cost \$37,200

Source: SFPD

Contact: Officer Dan Lawson 553-9582

At the request of the Superintendent of Schools one (1) uniformed police officer attend one (1) Parent Component meeting per week with Center for Human Development personnel during the school year. The Officer will assist in training parents in substance abuse education.

Cost: \$4,216

Source: SFPD

Contact: Officer Dan Lawson

ITEM 3

Training of 72 core public school teachers.

Training of 40 core non public school teachers.

Training of 8 part-time police officers.

The workshop is Training of Trainers in the Here's Looking at you 2000 curriculum provided by Roberts, Fitzmahon and Associates.

Total of 120 persons to attend the TOT training.

Cost: \$153,000

Source: SFPD

Contact: Officer Dan Lawson

ITEM 4

Curriculum training kit inventory and maintenance in all public and non public schools. The initial life of a training kit was 5 years however with continuing maintenance and inventory the kits expectancy is much longer.

Cost: \$10,000

Source: Roberts, Fitzmahon and Associates

Contact: Tim Roden (206) 932-8409

ITEM 5

Maintenance and upgrade of existing computer programming for the Drug Education Unit.

The Drug Education Unit maintains one (1) personal computer which is used for word processing, data base, and filing of all drug education related matters. The Unit does not have a secretarial position assigned. The personal computer is used daily.

Cost: \$2,898.26

Source: Topick Micro Center

Contact: Topick 564-3500

ITEM 6

Maintenance of vehicles. The Drug Education Unit maintains five (5) 1987 Plymouth Horizons. The vehicles are used daily to transport Officers and materials to schools for training.

Cost: \$7,500

Source: SFPD

Contact: Officer Tucker 553-1221

ITEM 7

Printing and publications of materials. Production costs to reproduce handouts for student use. Estimate obtained from Jim Nelson Printing Company, 1074 Folsom St. 431-1557.

Cost: \$15,000

Source: Jim Nelson

Contact: Jim Nelson 431-1557

ITEM 8

Parent Workshops are contracted with CHD funding is necessary for this vital component of the program.

Cost: \$12,000

Source: Center for Human Development

Contact: SFPD Officer Dan Lawson

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TOTAL: \$288,584.81

Item 10 - File 101-89-145

**Department:** Police Department

**Proposed Action:** Supplemental Appropriation for the development of the Police Pistol Range

**Amount:** \$938,167

**Source of Funds:** Interest-Earned-Pooled Cash; 1987 Police Facilities Improvement Bond Funds.

**Description:** The proposed Supplemental Appropriation would help defray costs incurred for certain safety measures which have become necessary in the course of the ongoing renovation and construction of the San Francisco Police Pistol Range.

In November, 1987, the voters authorized a \$28 million bond issue to fund renovation and improvement of Police Department facilities. An initial sale of \$11 million was held in July, 1988. Mr. Mark Primeau, Project Manager from the Department of Public Works (DPW), who is overseeing this project, states that, as originally planned, approximately \$600,000 of those bond funds were allocated for painting and maintenance of the Police Pistol Range, without any major improvements to the facility.

Thereafter, DPW's Bureau of Architecture, in association with the Police Department's Planning and Research Division, undertook an investigation of other pistol range facilities, including the California Highway Patrol range in Sacramento, and the Orange County Sheriff's Department range in Southern California. Mr. Primeau states that it was at this point that the Police Department, as well as DPW, realized that there were significant safety considerations that required attention. Both Mr. Primeau, and Lt. Suttmeier of the Police Department state that it was discovered that bullet trajectories of errant bullets could reach adjacent areas, including potentially, the grounds of Lowell High School. As a result, a system of overhead steel ballistic baffles, as used in other more modern facilities, was devised to deflect bullets and prevent this problem.

In addition, Lt. Suttmeier states that the years long presence of lead bullets on the grounds created a lead contamination problem which required both toxic cleanup and construction of mitigation measures, including a bullet trap to collect

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

discharged rounds, and concrete capping of the shooting range to avoid future contamination.

Finally, the administration center at the pistol range, which was originally scheduled for maintenance and repair, was found to suffer from subsidence. As a result, it was demolished, and a new facility is being constructed. First planned as an 8,000 square foot facility, the center has been scaled back to approximately 5,000 to 6,000 square feet in order to reduce costs.

The total estimated cost of the project now stands at \$3,650,000 for construction, construction management, design, administration, construction contingencies, and other costs related to the project. The costs are summarized as follows:

Ballistic Safety	\$1,128,100	
Site Improvement/Demolition/Landscape	201,000	
Architectural Work	240,600	
Structural Work	274,400	
Mechanical, Plumbing, Electrical and Fire Protection Systems	<u>457,000</u>	
Hard Cost (Construction)		2,301,100
General Contractor Overhead & Profit	345,200	
Construction Contingency 10%	<u>264,600</u>	
Total Construction		\$2,910,900
Design, Bidding and Contract Administration	<u>739,100</u>	
Total Project Cost Required		\$3,650,000
Funds Available	\$450,000	
Funds Needed	\$3,200,000	

**Comments:**

1. Of the \$3.2 million amount needed for this project as shown above, the SFPD proposes to fund \$938,167 through this appropriation, and the \$2,261,833 (\$3,200,000 less \$938,167) balance through a supplemental appropriation that would transfer bond funds from other projects to this and other projects. This other supplemental appropriation has been submitted to the Board of Supervisors.

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**BUDGET ANALYST**

2. In the view of the Budget Analyst, all necessary supplemental appropriation legislation for this project should be presented for the Finance Committee's consideration at the same time. We are therefore recommending that the Finance Committee continue this ordinance until the second supplemental appropriation, which will provide the remaining funds for this project and transfer existing bond fund appropriations to other projects, is before the Finance Committee. Lt. Suttmeier of the SFPD concurs with the recommendation to continue this ordinance pending the submission of the other related supplemental appropriation ordinance to the Board of Supervisors.

3. Because this project is still ongoing, and the project scope has expanded, costs have exceeded original estimates. Adequate controls should be maintained to prevent overruns to the extent possible. This concern has also been expressed by the Mayor's Office in its analysis of this request. Mr. Primeau states that he, along with a construction inspector and a project architect (both from DPW) oversee the progress of this project. They review all progress payments to make sure that all charges coincide with work completed to date. In addition, they review all modifications and change orders to ensure that this project's costs are kept within budget. Mr. Primeau states that, had the unforeseen safety mitigation measures not been required, the project would have been completed within budget.

**Recommendation:** Continue the proposed ordinance to the call of the Chair so that this legislation can be heard by the Finance Committee along with a second supplemental appropriation that proposes to provide the remaining funds needed for the Police Pistol Range renovation project.





Item 11 - File 101-89-147

**Department:** Police Department

**Proposed Action** Supplemental appropriation for retroactive salaries

**Amount:** \$129,958

**Source of Funds:** Permanent Salaries - Uniform

**Description:** The proposed supplemental appropriation would fund the settlement of a lawsuit brought by the San Francisco Police Officers Association (SFPOA) challenging the Police Department's policy of denying night differential. Among the provisions of the settlement is an award of 90 percent of the night differential in salary or equivalent compensatory time off, at the option of the City, without interest, for the period between July 1, 1984 and February, 1989, to those members denied night differential pay because they elected to take compensatory time instead of cash payment for overtime worked during night hours.

The settlement has previously been approved by the Board of Supervisors (Ordinance No. 437-88). The Police Department has elected to exercise its option to pay cash to the affected uniform personnel. Therefore, \$129,958 has been requested to satisfy the settlement.

**Comments:**

1. According to Lt. John Robinson of the Police Department, the settlement of the SFPOA suit represents a fair resolution of this matter, providing for payment at 90 percent of the full amount of the affected members' claims. Moreover, he advises that this supplemental appropriation is a necessary condition of the settlement previously approved by the Board of Supervisors.
2. Since the previously approved settlement of this action resulted in a change in policy regarding compensation for night differential, there will be some continuing monetary impact to the City beyond the amount of this \$129,958 supplemental appropriation because a night differential will now be paid in cash to the Police Department's uniform personnel.
3. There are 1,080 uniform personnel who will receive an average payment of approximately \$120 if this request is approved.

**Recommendation:** Approve the supplemental appropriation.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Items 12 and 13 - Files 101-89-146 and 102-89-49

**Department:** Fire Department

**Items** Supplemental appropriation ordinance (File 101-89-146) for salaries and fringe benefits for the upward reclassification of six positions.

Ordinance (File 102-89-49) to amend the Annual Salary Ordinance to reflect the upward reclassification of six positions.

**Amount:** \$12,958

<b>Source of Funds:</b>	Permanent Salaries - Misc. (Fire Department)	\$11,068
	Permanent Salaries - Misc. (Airport Operating Fund)	<u>1,890</u>
	Total	\$12,958

**Description:** The proposed amendment to the 1989-90 Annual Salary Ordinance would reclassify six positions by deleting six positions in the old classification and creating six positions in the new classification. The proposed amendment, which was approved by the Civil Service Commission on January 22, 1990, is as follows:

<u>Action</u>	<u>Number</u>	<u>Classification</u>	1989-90 Biweekly <u>Salary</u>	Top Step Annual <u>Salary</u>
Delete	6	6280 Fire Safety Inspector I	\$1,214-1,470	\$38,220
Add	6	6281 Fire Safety Inspector II	1,457-1,765	45,890

At the top step the six new positions would cost a total of \$275,340, whereas the six deleted positions cost \$229,320 at the top step, a difference of \$46,020 annually or an annual salary increase of \$7,670 per position.

The proposed supplemental appropriation ordinance would reappropriate \$12,958 for the increased salaries and fringe benefits of the six reclassified positions for the period from January 22, 1990, the date the reclassification was approved by the Civil Service Commission, to June 30, 1990, as follows:

**BOARD OF SUPERVISORS**  
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Fire Department (five reclassified positions)

Permanent Salaries - Miscellaneous	\$9,015	
Mandatory Fringe Benefits	<u>2,053</u>	
Total - Fire Department		\$11,068

Airport Operating Fund (one reclassified position)

Permanent Salaries - Miscellaneous	\$1,539	
Mandatory Fringe Benefits	<u>351</u>	
Total - Airport Operating Fund		<u>1,890</u>

<u>Total Proposed Supplemental Appropriation</u>	
<u>Ordinance</u>	\$12,958

The Fire Safety Inspector I and II classifications were established in 1983. The Fire Safety Inspector I classification is an apprenticeship position for entry level employees having minimum qualifications. The Fire Safety Inspector II classification requires two years experience in performing fire safety inspections.

As the result of a union grievance filed in 1989, the Civil Service Commission determined that the six Fire Safety Inspector I incumbents were actually performing at the Fire Safety Inspector II level and, therefore, approved reclassification of the six positions.

**Comment:**

At the May 30, 1990, Finance Committee meeting the Committee approved a Supplemental Appropriation Ordinance (File 101-89-136) to increase the Fire Department's Extended Work Week (overtime) account by \$2,536,945. In our analysis of that Supplemental Appropriation Ordinance, the Budget Analyst projected a net year-end budget deficiency in the Fire Department's eleven salary and fringe benefit accounts of \$591,617 after applying the \$2,536,945 supplemental appropriation and administratively transferring surpluses in some accounts to other accounts having deficit balances. The projected \$591,617 net year-end budget deficiency would be reduced by approximately \$400,000 due to the City from FEMA as reimbursement of earthquake costs, leaving a final net year-end budget deficiency of approximately \$191,617 in the Fire Department's salary and fringe benefits accounts. Therefore, any anticipated surplus in Permanent Salaries - Miscellaneous, the proposed source of \$11,068 funding for the proposed reclassification action, has already been obligated

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

and is no longer available for the proposed Supplemental Appropriation Ordinance.

- Recommendations:**
1. Approve the proposed ordinance to amend the Annual Salary Ordinance to upwardly reclassify six positions.
  2. Approve supplemental funding in the Airport Operating Fund. Approval of the supplemental funding in the Fire Department's General Fund budget is a policy matter because to do so may result in an increased budgetary shortfall, as noted in the Comment above.



Item 14 - File 101-89-149

**Department:** Fire Department

**Item:** Supplemental Appropriation Ordinance to fund the purchase of a temporary Emergency Operation Center.

**Amount:** \$680,000

**Source of Funds:** Interest earned on 1986 Fire Protection Bond (Proposition A) funds

**Description:** In November, 1986, City voters approved the issuance of Fire Protection System Improvement Bonds (Proposition A). Funds from the bond sale in the amount of \$46,200,000 are to be used for the improvement of the City's fire protection system including the construction of a high pressure water system and a new emergency operation center. The new emergency operation center, to be located at the Central Fire Alarm Station, was to be funded from the second issuance (sale) of the Proposition A bonds in November, 1990.

According to the original plan for construction of the new emergency operation center, the new facility would be completed by the year 2000. However, the October 17, 1989, earthquake demonstrated that the existing emergency operation center is inadequate and that a larger, better equipped center is needed immediately for temporary use until construction of the new center is completed. Therefore, the Fire Department proposes purchasing and installing three modular buildings (prefabricated buildings that are trailored to the desired site and permanently mounted on concrete foundations) at a total cost of \$680,000. The Bureau of Architecture has provided the attached cost estimate (Attachment I) and site floor plan (Attachment II) for the proposed emergency operation center. (The \$685,000 cost estimate was prepared after submission of the proposed legislation which estimated the cost at \$680,000.)

The proposed modular emergency operation center purchase and installation costs would be funded from interest earned on the proceeds of the first Proposition A bond issuance that the City Treasurer invested until actually needed for high pressure water system costs.

**Comment:** The Capital Improvement Advisory Committee (CIAC) advises that the purchase and installation of a modular emergency operation center is an appropriate expenditure of Proposition A bond interest.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Finance Committee  
June 6, 1990

**Recommendation:** Approve the proposed Supplemental Appropriation Ordinance.

## MEMORANDUM

Dick Evans,  
Director of Public Works

DATE : May 17, 1990

SUBJECT: ESTIMATE FOR  
EOC MODULES

Norman Karasick,  
City Architect

In accordance with your request the following is a breakdown of the preliminary costs for the E.O.C. project:

Modules with equipment:

2	Large Modules @	90,000	
1	Small Module @	45,000	\$225,000

Emergency Generator:	100,000
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Subtotal	<u>\$325,000</u>
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Site Work:

Foundation/Excavation  
Concrete Slabs  
Utilities  
Disabled Access Ramp  
Decks/Railings  
Landscaping/Fencing  
Miscellaneous Finishes

Subtotal Site Work	<u>\$100,000</u>
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Total Unadj. Const. Cost	<u>\$425,000</u>
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General Conditions & Contractors OHP (25%):	110,000
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Total Construction cost	<u>\$535,000</u>
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Contingency:	50,000
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Design:	75,000
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CM:	25,000
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TOTAL PROJECT COST:	<u>\$685,000</u>
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Please contact Bruce Flynn or Mark Dorian of my staff for any questions at 558-4982.

BF/MMD:mh

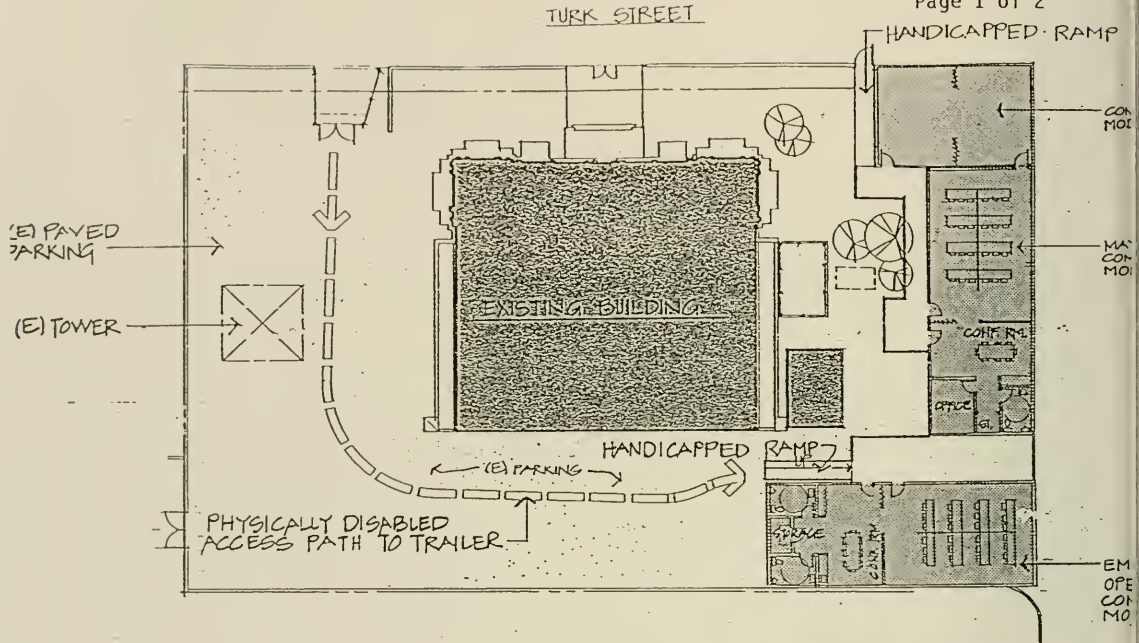
cc: 265,300(2)

Joanne Cooney

Mark Primeau

Jorge Alfaro

SIGNED 

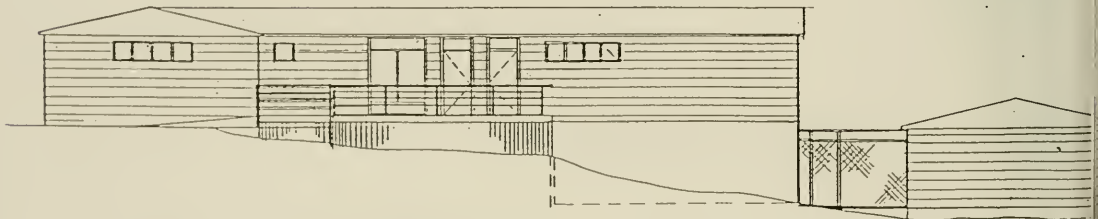


SITE PLAN

CONFERENCE MODULE

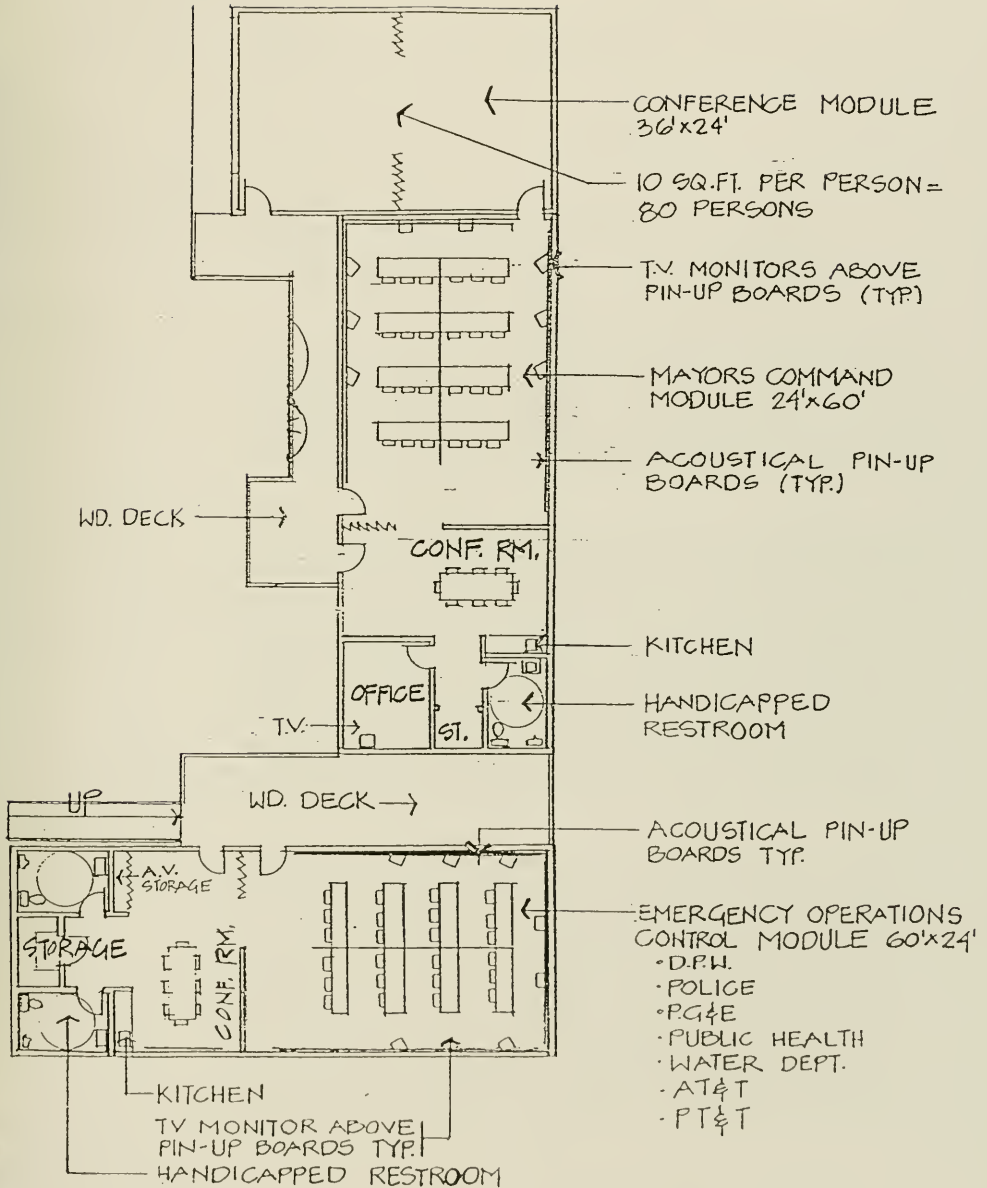
MAYORS COMMAND MODULE

EMERGENCY OPERATION  
CONTROL MODULE



WEST ELEVATION

**PRELIMINARY**  
5/31/90



# FLOOR PLANS

SCALE: 1/16" = 1'-0"

1003 TURK STREET SF 94102

BUREAU OF ARCHITECTURE DEPARTMENT OF PUBLIC WORKS CITY & COUNTY OF SAN FRANCISCO	EMERGENCY OPERATIONS CENTER - MODULE STUDY	CITY ARCHITECT		DATE	SHEET
	SCHEME # 6	ARCHITECT B.F.	DRAWN J.G.	JOB NO 6333E	A-5



Item 15 - File 101-89-148

**Department:** Department of Public Works (DPW)  
Clean Water Program (CWP)

**Item:** Supplemental Appropriation Ordinance

**Amount:** \$11,185,849

<b>Source of Funds:</b>	1970 Water Pollution Control Bonds	\$ 772,000
	1976 Sewer Revenue Bonds	3,177,491
	State Revolving Loan Fund	<u>7,236,358</u>
	Total	\$11,185,849

**Description:** The construction of the Mariposa Facilities represents the next major element of the San Francisco Clean Water Program's bayside construction plan (see Attachment 1). Specifically, this project will address the drainage in the mid-east sector of the City generally bounded by the San Francisco Bay, 16th Street, 25th Street and Potrero Hill.

Presently, overflows to the bay occur on an average of 46 times per year in violation of San Francisco Regional Water Quality Control Board (RWQCB) overflow requirements. Per a RWQCB order, the City is required to design and construct the Mariposa facilities to achieve a long term average of ten overflows per year, a reduction of 36 yearly overflows on average. RWQCB Cease and Desist Order No. 88-105 requires that construction on this project begin by September 1, 1990, and be completed by January 1, 1993. Continued violation of overflow limits beyond that date could result in the imposition by RWQCB of fines to the City of up to \$25,000 per day.

The Mariposa Facilities will consist of a 0.68 million gallon transport/storage box structure in Mariposa Street, wet-weather pumps with a total capacity of 10 million gallons per day (mgd) inside the box structure, a 2 mgd refurbished Mariposa dry-weather pump station, a 20-inch diameter force main and a 27-inch gravity sewer in Illinois Street, a 3 mgd pump station with a 10-inch force main in 20th Street, a 36-inch gravity sewer in 23rd Street, a 54-inch diameter transport/storage pipe and a 42-inch gravity sewer on Port property (see Attachment 2). All of the facilities described would be primarily underground.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

On December 21, 1989, the Board of Supervisors approved the use of State loan funds to finance the construction of the Mariposa facilities (Resolution No. 963-89). The City has applied for a State Revolving Fund loan from the State Water Resources Control Board (SWRCB) in January of 1990 to provide funds for the project construction. Funds can be borrowed from the State Revolving Fund at an interest rate which is one-half the State's on-going interest rate for General Obligation Bonds. For example the funds recently borrowed under this program for the construction of the Oceanside Wastewater Treatment Plant was at an interest rate of 3.4% as compared to a General Obligation Bond interest rate of 6.8%.

The preliminary estimated project cost of the Mariposa Facilities included costs for construction contract, non-construction and contingencies as follows:

	<u>Totals</u>
Construction Contract	\$9,321,541
Non-Construction Costs (Preliminary)	932,154
Contingency	<u>932,154</u>
Total	\$11,185,849

The project schedule to start and complete construction of the Mariposa Facilities is as follows:

Advertise for bids	April, 1990
Receive bids	May, 1990
Begin construction	August, 1990
Complete construction	February, 1992

The construction contract for the Mariposa Facilities was advertised on April 10, 1990 and 83 bid packages were distributed. Bids were opened on May 30, 1990. The following two bids were received:

<u>Bidder</u>	<u>Amount</u>
J. H. Pomeroy	\$11,117,000
Homer J. Olsen, Inc.	13,320,121



**Comments:**

1. Mr. Manfred Wong of the Clean Water Program advises that the two bids received for the construction of the Mariposa Facilities are substantially above the \$9,321,541 amount budgeted for construction. The low bid from J. H. Pomeroy, which is \$1,795,459 higher than the budgeted amount, is currently under review by CWP to determine whether it is acceptable or whether the project will be rebid to obtain acceptable bids within the range of the project budget.

2. Mr. Wong has provided the Budget Analyst with a more recent and detailed project budget for the project which indicates that the non-construction portion of the budget now totals \$1,729,031. This is an increase of \$796,877 (\$1,729,031 minus \$932,154) more than the preliminary non-construction cost estimates. The detailed budget is as follows:

<u>Description</u>	<u>Amount</u>
Non-Construction Costs:	
Deleuw Cather Overview	\$412,767
Testing Labs	5,000
Clean Water Program	1,017,388
Bureau of Engineering	150,104
Traffic Engineering	16,772
Bureau of Water Pollution Control	112,000
Bureau of Building Repair	5,000
City Attorney Work Order	<u>10,000</u>
Subtotal	\$1,729,031
Construction Contract	9,321,541
Contingency	<u>932,154</u>
Total	\$11,982,726

As a result of the increase in non-construction costs, the total budget of \$11,982,726 is \$796,877 more than the proposed supplemental appropriation.

3. Mr. Wong advises that the project will be rebid shortly and that he expects to receive a bid amount within the following amended budget:

	<u>Total</u>
Construction Cost	\$8,524,664
Non-Construction Costs	1,729,031
Contingency (10.9% of construction costs)	<u>932,154</u>
Total	\$11,185,849

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

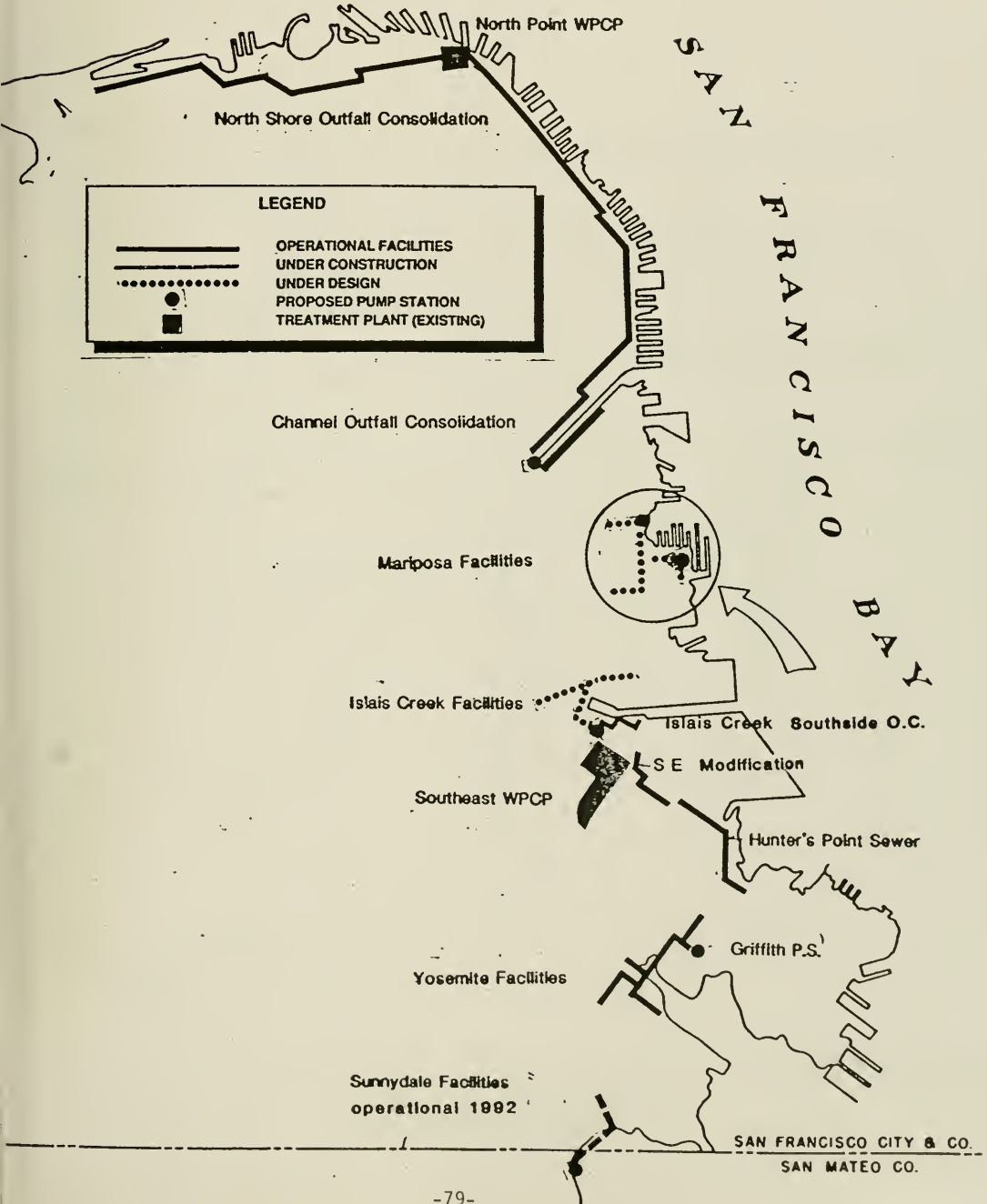
Memo to Finance Committee  
June 6, 1990

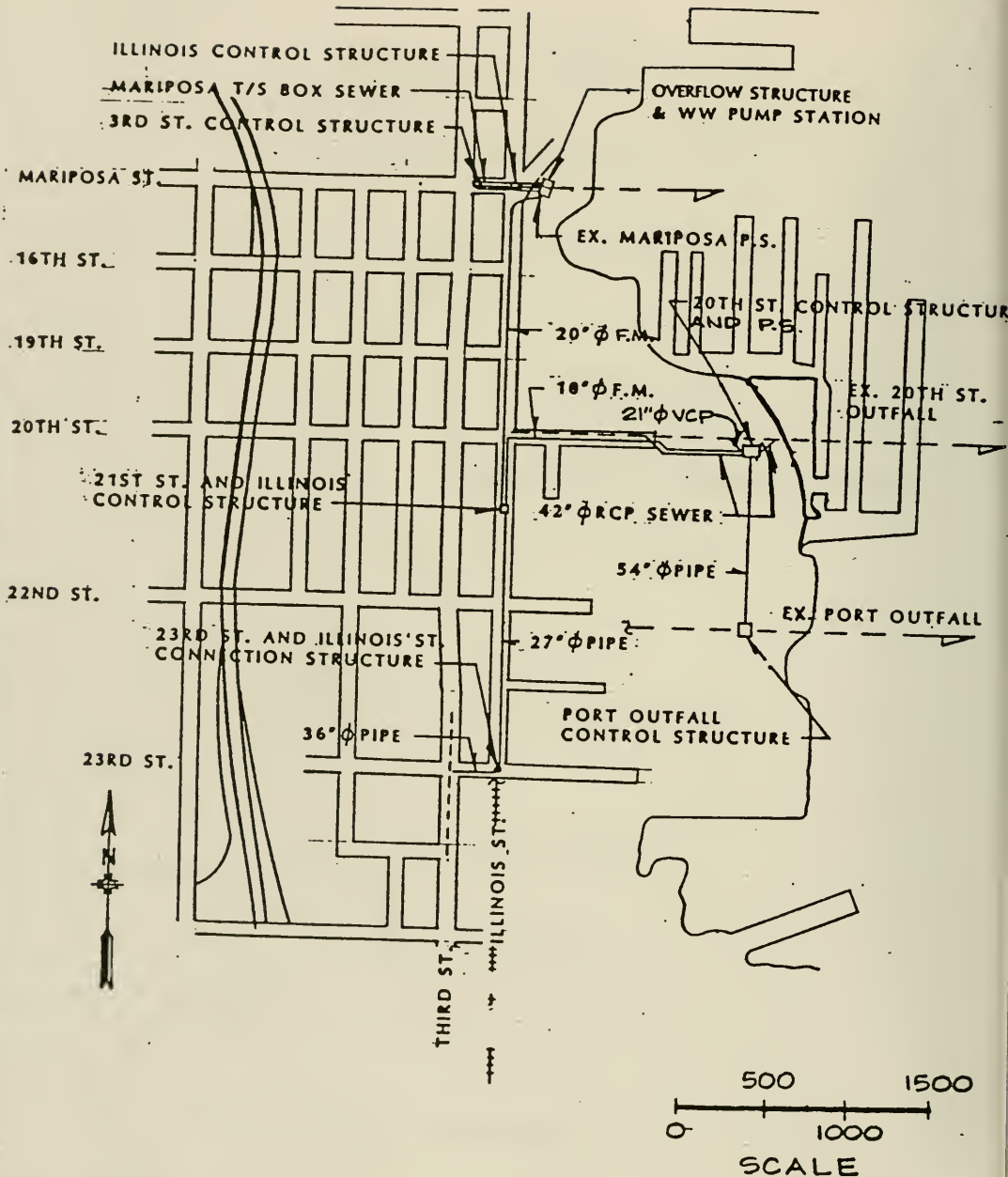
4. As the bids for the subject project were only opened on May 30, 1990, the Human Rights Commission has not received a plan detailing the MBE/WBE status of the construction subcontractors. According to Ms. Veronica Ng of HRC, once that information has been received the data will be provided.

**Recommendation:** Continue the proposed Supplemental Appropriation ordinance to the call of the Chair pending the CWP report on new bids for the construction of the Mariposa Facilities Project.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

# BAYSIDE CSO CONTROL FACILITIES





DESIGNED	K.S.	MARIPOSA FACILITIES	
DRAWN	C.W.		
DATE	1-1990	SITE PLAN	

Item 16 - File 101-89-150

**Department:** Recreation and Park

**Proposed Action:** Reappropriate funds for the restoration of North Lake in Golden Gate Park

**Amount:** \$315,000

**Source of Funds:** Rescinding \$270,000 from the completed Waterfront/Hilltop project and rescinding \$45,000 from one of the Department's facilities maintenance projects.

**Comment:** The Department requests that this item be filed since the proposed restoration of North Lake project is included in the proposed 1990-91 budget.

**Recommendation:** File the proposed legislation.



Item 17 - File 101-89-151

**Department:** Public Library

**Item:** Supplemental Appropriation Ordinance for the New Main Library Project

**Amount:** \$6,878,893

**Source of Funds:** 1988 Library Improvement Bond Funds

**Description:** Financial Services/Bond Counsel \$30,600

The bonds will be sold jointly with \$27.5 million of the seismic bonds; the amount allocated represents the estimated pro-rata share of the Library Bond sale. See Comment 3 below.

Architect/Engineering Services \$4,034,000

The total fee negotiated for planning, construction documents, construction administration and reimbursables is \$10,534,000. \$6,500,000 has previously been appropriated; the balance required is \$4,034,000. These services will be performed by two architectural firms. One firm is a San Francisco based architectural firm, Simon, Martin-Vegue, Winkelstein and Moris, an LBE/WBE firm. The other architectural firm is Pei, Cobb, Freed and Partners. This firm does not meet the Human Rights Commission requirements to be an MBE firm.

Construction Management Services \$1,846,000

The firm of O'Brien Kreitzberg has been selected to provide independent monitoring of the project budget and schedule during both the design and construction phases. The amount allocated is based on their fee proposal currently under consideration by the City. O'Brien Kreitzberg is neither an MBE or WBE firm.

EIR Costs \$162,000

The initial appropriation for the EIR was \$175,000. Additional funds will be required for application fees (\$62,000), for projected increases in the scope of work (\$50,000), and for full service Geotechnical services by the subconsultant on the EIR team (\$50,000). See Comment 1 below.



Art Enrichment

\$350,000

The Art Enrichment program budget for this project has yet to be determined; the range is expected to be \$1.0 - \$1.8 million. The initial appropriation will provide a portion of the administrative fees for the Arts Commission (\$50,000) and funds to establish contracts with selected artists, (\$300,000). See Comment 2 below.

Building Program Consultant

\$40,000

A previous \$50,000 appropriation was for the cost of producing a Building program document providing the architectural and design parameters for the New Library Building. The consultant scope has been expanded by \$40,000 to include review and analysis of the architect's work during the design period. HBW Associates, from Dallas Texas, an MBE firm was selected with approval of the Human Rights Commission. This firm was not given MBE preference.

DPW Project Control

\$416,293

DPW's Bureau of Architecture will provide administration and oversight of all programs listed above. The amount will partially fund five DPW positions for two years as follows:

<u>Position &amp; 1st yr. rates</u>	<u>1990/91</u>	<u>1991/92</u>	<u>Total</u>
Project Manager II (full-time) \$63/hr.	-	\$150,450	\$150,450
Principal Architect (3 day/mo.) \$63/hr.	-	22,430	22,430
Architect (32 hrs./week) \$47/hr.	88,275	97,110	185,385
Executive Secretary (1/8 time) \$31/hr.	8,840	9,282	18,122
Clerk Typist (1/4 time) \$26/hr.	16,926	17,772	34,698
Contingencies (overtime, Temporary assignments etc.)	<u>2,000</u>	<u>3,208</u>	<u>5,208</u>
Totals	\$116,041	\$300,252	\$416,293

Total

\$6,878,893

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Comments:**

1. The firm which would conduct the EIR is ESA, an LBE firm, not certified as an MBE/WBE. The tasks which would be performed with the \$162,000 environmental review funds have not been clearly identified. The contract details are currently under negotiation. These funds should be reserved pending the City Architect's report specifying this information.
2. The Art Commission has not established a budget for the use of the proposed \$350,000 appropriation. These funds should be reserved pending the preparation of a detailed budget for the use of these Art Enrichment funds.
3. According to Mr. Robert Kenealey, Deputy City Attorney, the \$155,000 previously appropriated for financial services and bond counsel included the anticipated costs of the future bond sales. Therefore, the \$30,600 additional amount requested here is not required and should be deleted.
4. In 1988, the San Francisco voters approved \$109.5 million in General Obligation Bond funds for the City of San Francisco for the construction of a new Main Library Building (\$104.5 million) and for the remodeling of various branch Library facilities (\$5 million).
5. The proposed expenditures for the new Main Library exceed the initial budget. The \$1,846,000 for Construction Management Services was not part of the initial budget for this project. Architect services, initially budgeted at \$8 million, currently are contracted at \$10.534 million. EIR costs initially budgeted at \$175,000, are currently estimated at \$337,000. According to Mr. Norm Karasick, City Architect, "these increased costs reduce the amount available for construction. Although it is premature to draw any conclusions, the possibility does exist that construction alternates acceptable to the Library staff and Commission will be incorporated in the bid documents. Such construction alternates could reduce the scope (i.e. material selection) and thereby the cost of the project. Those alternates would keep the project within budget."

"The initial budget for the construction contract was \$88,617,000. Based upon the additional costs identified above and other budgetary projections, the current construction budget is \$83,987,000. Interest earnings on the bonds will provide additional revenues, perhaps as much as \$10 million, which would make a total of \$93,987,000 available for construction."

- Recommendations:**
1. Amend this request by reducing the proposed appropriation by \$30,600 (which is not required for financial services bond counsel) from \$6,878,893 to \$6,848,293. Reserve \$512,000 as identified in Comments Nos. 1 and 2 above, pending information pertaining to the environmental review (\$162,000) and the Arts Commission expenditure details (\$350,000). Approve the request as amended.
  2. Request the City Architect to submit a periodic status report to the Board of Supervisors on the construction of the Main Library including the submission of all of the cost details.

Item 18 - File 101-89-152

**Department:** Civil Service Commission

**Item:** Supplemental Appropriation Ordinance for telephone and data processing/word processing equipment, and rescinding funds from permanent salaries.

**Amount:** \$223,071

**Source of Funds:** Reappropriation of General Fund monies previously allocated to permanent salaries.

**Description:** Currently, the Civil Service Commission rents 13,000 square feet of office space at 646 Van Ness, where the Commission's examination and classification units work. The building owner has notified the department that it must vacate the office space by no later than October, 1990.

The Department of Real Estate has identified, and the Civil Service Commission proposes to rent, 27,000 square feet of office space at 44 Gough in order to house the examination, classification, salary, management development, and management information systems units.

Civil Service is requesting the above funds to purchase and install telephone equipment at the new office site, and to upgrade existing word processing/data processing equipment. The Department has furnished the following budget information:

Telephone equipment to be purchased from and installed by ATT:	
105 Telephones	\$16,600
Switching Equipment	52,360
Billing equipment	16,000
Modifications to equipment room	1,645
Networking equipment	6,800
Station wiring (from equipment room to telephone set)	1,431
Data wiring (from equipment room to telephone set)	2,700
Pacific Bell hookup installation	7,400
Installation by ATT	25,703
Taxes	11,361
Contingency	<u>1,000</u>
Subtotal telephone purchase	\$143,000

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1 yr warranties for switching and billing equipment and maintenance	\$2,160	
Staff training on usage of touch-tone feature telephones	2,000	
Installation of eight telephone lines dedicated for computer use	5,590	
Estimated charges for installation of a telephone wire conduit from telephone closet to computer data center (work to be done by DPW)	<u>4,840</u>	
Subtotal warranties, training, installation costs	14,590	
Subtotal, telephone purchase, warranties, training, and installation		157,590
Data processing/word processing upgrade purchased from WANG:		
Software for unattended backup - allows computer to backup files when system use is low	15,950	
Upgrade of computer main memory from 8 megabytes to 16 megabytes	12,240	
Purchase of 2 used 314 megabyte disk drives	16,575	
2 power line conditioners ( surge protectors)	5,888	
Associated computer equipment consisting of 2 port disk IOPs, 4 512 Kb memory boards for personal computers, 8 modems, 2 cables	9,903	
Installation	785	
Tax	<u>4,140</u>	
Subtotal Data and Word Processing Equipment		<u>65,481</u>
Total Department request		\$223,071

The Department has reported that its existing data processing equipment is being utilized at near 88 percent

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capacity, and in order to implement the Commission's management action plan to increase the efficiency and effectiveness of the City's personnel system, which includes eliminating the current examination backlog, the Department must increase its data processing and word processing capacity.

**Comment:**

1) As part of its management action plan to increase the efficiency and effectiveness of the City's Civil Service System, Civil Service has requested funding of 16 positions in its 1990-91 budget request. These positions are authorized in the 1989-90 budget, but due to salary savings requirements, the positions could not be filled. Civil Service plans to consolidate the location of the Examination, Classification, Wage & Salary, and Management Development Units at one office site. Civil Service reports that the current location at 646 Van Ness cannot accommodate the 16 positions as well as all of the units, and therefore the additional space at 44 Gough Street is needed to accommodate the proposed consolidated staffing arrangement.

2) The Department of Real Estate, in conjunction with Civil Service, will submit at a later date a proposed resolution to the Board of Supervisors that seeks approval of the proposed lease of office space at 44 Gough Street to replace the old space at 646 Van Ness. The proposed lease would cover approximately 27,000 square feet of office space at a cost of \$30,938 per month (\$1.15 per sq. ft. per month or \$371,256 per year), and would commence July 1, 1990 or as soon as tenant improvements are completed by the Taldan Investment Company, the lessor, and expire June 30, 1995. Although the Board of Supervisors has not yet reviewed and approved the proposed resolution approving the lease of the office space at 44 Gough, the proposed expenditures for telephone and computer equipment is justified. However, the Budget Analyst recommends that the funds allocated for the purchase and installation of the telephone equipment be approved but reserved pending the approval of the lease.

3) The Civil Service Commission has received Electronic Information Processing Steering Committee approval for the proposed purchase of computer equipment.

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Memo to Finance Committee  
June 6, 1990

4) Funds for the rental of the new office space have been budgeted in the Civil Service Commission's 1990-91 budget.

**Recommendation:** Approve the proposed supplemental appropriation ordinance, and reserve \$157,590 pending the approval of the lease for the 44 Gough Street office space by the Board of Supervisors.



Item 19 - File 101-89-153

**Department:** Agriculture/Weights and Measures

**Item:** Supplemental Appropriation Ordinance

**Amount:** \$30,000

**Source of Funds:** Surplus from Permanent Salaries and Facilities Maintenance Project and from Capital Improvements Reserve.

**Description:** The proposed Supplemental Appropriation Ordinance would appropriate \$30,000 to provide funds to re-roof stalls on the north side of the Farmers Market. The Department of Agriculture and Weights and Measures reports that the stalls are wood construction with a tar and gravel roof. According to the Department, the roof has been leaking for the past three years and the leaking has gradually become worse. Ms. Mary Vienot, Manager, of the Farmers' Market, reports that the leaking roof effects 54 stalls and that the leaking water has (1) caused electrical short circuits in the stalls (2) posed a threat to the produce which is for sale to customers and (3) has generated customer complaints. Ms. Vienot also advises that the leaking roof has caused dry rot in the stalls.

**Comments:**

1. Mr. Evan Weeth, Agricultural Commissioner, reports that prior requests by the Department for repair of the roof have been denied by the Capital Improvements Advisory Committee due to other Citywide priorities. The Capital Improvements Advisory Committee (CIAC) has reviewed the supplemental appropriation request and has determined that it is in conformity with the Six-Year Capital Expenditure Plan. The CIAC has recommended approval of this \$30,000 request.
2. Mr. Weeth reports that the Department plans to use an outside contractor to perform the re-roofing work. Mr. Weeth advises that the Department of Public Works (DPW) would administer the competitive bidding process to acquire a contractor to provide the work. As of the writing of this report, the DPW had not scheduled a specific date to begin the bidding process.

**Recommendation:** Approve the proposed ordinance.

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Item 20 - File 101-88-154

**Department:** Public Utilities Commission (PUC)  
Hetch Hetchy

**Item:** Supplemental Appropriation Ordinance to purchase power for resale and to pay for its transmission charges and to ratify an action previously taken.

**Amounts:**

Purchase of Power	\$675,000
Transmission Charges	<u>1,100,000</u>
Total	\$1,775,000

**Source of Funds:** Hetch Hetchy Capital Improvement Project Funds

**Description:**

1. Hetch Hetchy's FY 1989-90 budget, for the purchase of PG&E electric power for resale to its various customers (Modesto and Turlock Irrigation Districts, Norris Industries, other assigned customers and City departments) during periods when Hetch Hetchy Power generation is unable to meet the hydroelectric power demands required by Hetch Hetchy customers, is \$12,800,000. In addition, Hetch Hetchy's FY 1989-90 budget includes \$7,300,000 for payments to PG&E for the transmission of hydroelectric power.

2. Hetch Hetchy has identified current expenditures through April 30 of 1990 and projected expenditures through June 30 of 1990 for both the purchase of power and the cost of its transmission as follows:

	<u>Purchase of Power</u>	<u>Power Transmission</u>
Actual Expenditures (7/1/89 - 4/30/90)	\$11,625,153	\$7,217,987
Projected Expenditures (5/1/90 - 6/30/90)	<u>1,849,847</u>	<u>1,182,013</u>
Total 1989-90 Projected Expenditures	\$13,475,000	\$8,400,000
Original Budget	<u>12,800,000</u>	<u>7,300,000</u>
Total Anticipated Deficiency	\$675,000	\$1,100,000

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**Comments:**

1. Under long term agreements with the Modesto and Turlock Irrigation Districts (Districts), Hetch Hetchy must purchase supplemental power from PG&E when it is unable to generate its "Project Dependable Capacity" (PDC). All other demands by the Districts for PG&E power are now met through separate agreements between the Districts and PG&E without the involvement of Hetch Hetchy.

2. According to Mr. Carlos Jacobo of the PUC, Hetch Hetchy underbudgeted its power transmission and purchase of power costs as a result of the following conditions:

- a. Baseline costs for FY 1989-90 were not updated from FY 1988-89. FY 1989-90 original budget figures are identical to those of FY 1988-89. This resulted in underbudgeting of \$730,176 of the total \$1,775,000 shortfall.
- b. An increase in power and power transmission rates by PG&E.
- c. Curtailment of Hetch Hetchy's power generation due to drought conditions.

3. Mr. Jacobo advises that the Department is confident that the funding requested in this appropriation is sufficient to cover costs for the remainder of the fiscal year but that if any additional funds are needed to purchase power and to cover transmission costs, such costs would be allocated from year-end close out funds.

4. Because Hetch Hetchy has already incurred obligations which exceed its current appropriation for the purchase of PG&E power, this legislation will ratify an action previously taken.

5. The sources of funds to purchase power and pay for transmission charges are from the reappropriation of monies from the following capital projects which Hetch Hetchy wishes to defer at this time:

Hughes-Leithold Water Lines at Hetch Hetchy (\$1,075,000)

This project is to replace the Hughes, Leithold and Foothill water lines located south of Moccasin, California.

All three lines were constructed in the late 1920s to furnish water to various sections of the Hughes and Leithold Ranches. The lines have deteriorated to such an extent that repairs are no longer feasible. All three lines are to be replaced with five-inch steel pipe.

Early Intake Reconstruction at Hetch Hetchy (\$700,000)

The existing Lower Cherry Aqueduct System has been inoperative since 1960 except for a 13-month period during the 1976-77 drought when it was used to divert water from the Cherry-Eleanor watersheds. The purpose of this project is to insure that this facility remains operational to meet future needs by replacing the existing diversion control, tunnel bulkheads, spillway gates and canal lining. Also, certain tunnel and steel pipe sections require spot repairs.

6. According to the PUC, deferring completion of the subject capital projects will not adversely affect the near-term operations of Hetch Hetchy. The PUC has also informed the Budget Analyst that the subject projects will be prioritized for completion within the scope of existing Hetch Hetchy projects and resources.

**Recommendation:** Approve the proposed ordinance.

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Item 21 - File 101-89-155

**Item:** Reappropriation of remaining General Fund monies in completed facility maintenance and capital improvement project accounts.

**Amount:** \$2,649,117

**Description:** 1. The proposed reappropriation would return the funds to the City's Reserve for Capital Improvements. These funds currently remain in 121 various facilities maintenance and capital improvement appropriation accounts. The Controller proposes to close the surplus funds remaining from these completed facility maintenance and capital improvement accounts. Balances remaining in these 121 accounts range from \$1 to \$350,000.

2. According to Mr. Madden of the Controller's Office, under this proposed legislation, the \$2,649,117 is being used to balance the Mayor's recommended 1990-91 budget. All new capital improvement projects are separately identified in the 1990-91 budget.

**Recommendation:** Approve the proposed legislation.





Item 22 - File 101-89-156

**Department:** Parking and Traffic Commission

**Item:** Supplemental appropriation for construction of a parking facility at Polk and Bush Streets

**Amount:** \$4,218,400

**Source of Funds:** San Francisco Parking Authority, Off-Street Parking Fund

**Description:**

1. The Board of Supervisors previously approved an appropriation of \$2,186,000 from the Off-Street Parking Fund for purchase of the site located at the Southeast corner of Polk and Bush Streets for use as a parking facility (File 101-85-27). The property currently consists of a lot with a burned-out building which will be demolished.
2. Subsequently, the Board of Supervisors released \$434,650 for architectural design, soils testing and other technical services for design and initial testing in furtherance of the project (File 101-88-84, 101-88-84.1).

Mr. Phil Chin, Director of the Parking Authority, states that these functions are now complete, and the architect is now preparing the necessary documentation to open the project for bidding the construction contract in June or July, 1990. Construction is planned to begin in the fall of 1990 with an estimated 1 to 1 1/2 years to complete construction.

3. The Parking Authority has projected the following costs for the project:

Construction Costs	\$3,500,000
Construction Contingencies (10%)	350,000
DPW Construction Management Fees	247,500
DPW Materials Testing Lab Fees	22,000
Outside Material Testing Lab Fees	13,000
Art Enrichment	70,000
Human Rights Commission (HRC)	
Review and Monitoring Fees	15,900
Total	<u>\$4,218,400</u>

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The construction contract is to be competitively bid. Mr. Chin explains that the DPW Construction Management fees are charged by the Department of Public Works to supply a project manager and inspector during the estimated 1-1/2 years of construction. The manager is already becoming involved in the project in order to be familiar with the project when construction actually begins. The testing fees budgeted both to the DPW and outside labs are necessarily incurred for testing of construction materials such as concrete and steel rebar. However, these fees will not be incurred until a contractor is selected and begins proposing materials to be used. The HRC review fees pay for HRC oversight to ensure compliance with the MBE/WBE/LBE standards in the selection of the general and subcontractors. Finally, there is a mandatory public art requirement for art enrichment. Mr. Chin states that the selection process for an artist is underway under the auspices of the Art Commission with the participation of the Parking Authority.

Mr. Phil Chin states that the projected \$3.5 million in construction costs for the project has not changed from that originally estimated. The project would result in construction of a 231 space parking facility consisting of five levels above ground and 1-1/2 levels below street level. Additionally, 5,000 to 6,000 square feet of commercial space would be provided at street level.

**Comments:**

1. Mr. Chin states that the subject supplemental appropriation is the next step necessary before the project can be let out for bidding. By approving the entire supplemental appropriation, delays in construction will be avoided since a piecemeal appropriation process may cause problems in the timing and phasing of the construction.
2. The Capital Improvement Advisory Committee (CIAC) has reviewed the subject request. CIAC notes that findings under Proposition M and the Conditional Use authorization have not yet cleared the Planning Commission. Therefore, CIAC recommends reserving the requested funding pending the outcome of Proposition M and Conditional Use process.

**Recommendation:**

Approve the proposed supplemental appropriation and reserve the \$4,218,400 pending the outcome of Proposition M and Conditional Use proceedings.

Item 23 - File 65-90-2

**Departments:** San Francisco General Hospital (SFGH) and  
Real Estate Department

**Item:** Ordinance authorizing a new 10-year rental agreement  
between the City and the University of California, San  
Francisco (UCSF).

**Location:** SFGH Building One, portion of the basement

**Purpose of Lease:** Collection, processing and short-term storage site for  
radioactive waste from medical and research activities.

**Lessee:** Regents of the University of California

**No. of Sq. Ft. :** 680 sq.ft.

**Annual Rent:** No charge for rent in exchange for UCSF services to the City  
(see Comment 3, below)

**% Increase over  
1988-89:** Not applicable.

**Utilities and Janitor  
Provided by Lessee:** No

**Term of Lease:** Ten years, commencing on the date that the proposed lease is  
finalized.

**Right of Renewal:** None.

**Comments:**

1. The SFGH currently has three separate radioactive materials processing and storage sites at SFGH which are located near laboratories and research space. The SFGH uses radioactive materials for routine diagnostic patient care procedures and research purposes. The SFGH reports that these materials have only a low degree of radioactivity.
2. The proposed lease would enable the consolidation of the three existing hazardous materials storage processing sites into a single location in an unfinished area in the basement of Building One at SFGH.

3. Since UCSF is the primary user of radioactive materials at SFGH, UCSF holds a site license issued by the State Radiologic Health Branch which permits UCSF and SFGH staff to use radioactive materials for patient care and medical research, and to process and store the materials at SFGH. UCSF is proposing to build and staff a new, state of the art facility to handle radioactive materials in SFGH. The University would bear all the cost of improving the space, which is estimated to cost a minimum of \$200,000, and would provide the staffing, equipment and materials necessary to operate the proposed new facility. As previously noted, the 680 square feet would be leased to UCSF at no charge in exchange for UCSF's contribution of the renovations and services to operate the facilities. UCSF currently has two full-time staff operating the three existing facilities who would operate the proposed one new facility. UCSF does not currently pay rent for use of the three existing facilities, which have a total of 740 square feet.

4. Improvements made to the leased space would become the property of the City upon termination of the lease. According to SFGH, UCSF currently leases a total of 49,381 square feet at SFGH for a total annual cost to UCSF of \$478,591, which includes rent and utilities.

5. The SFGH reports that the proposed new facility would not result in the generation of additional waste, and would enhance safety procedures and improve the efficiency of the SFGH's Environmental Health and Safety program. The SFGH advises that the consolidation of the three existing radioactive materials storage sites into one site is one of the goals of the 1987 SFGH Master Plan. The Real Estate Department indicates that the Department of City Planning has determined that the proposed project is categorically exempt from environmental review, and that the proposed lease has been approved by the Health Commission at its meeting of May 15, 1990.

6. The SFGH reports that once the proposed new radioactive materials processing and storage facility is operational, the existing three sites would be decontaminated by UCSF and made available for other uses.

**Recommendation:** Approve the proposed ordinance.

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Item 24 - File 172-90-10

**Department:** Department of Social Services (DSS)

**Item:** Resolution authorizing the execution of an agreement between the City and County of San Francisco and the State of California's Department of Education.

**Amount:** \$118,069 Maximum Reimbursement

**Contract Period:** July 1, 1990 through June 30, 1991

**Description:** The proposed resolution would authorize the continuation of an existing agreement with the State Department of Education that reimburses DSS for administrative costs associated with the coordination and monitoring of community based childcare services including homemaker services and respite care. DSS developed the program to provide childcare services to families at risk to enable parents to continue their employment or to continue their education. Authorization to enter into this proposed agreement is required by the State before DSS is eligible to submit claims for reimbursement to the State Department of Education.

The proposed agreement calls for a reimbursement rate not to exceed \$1.9802 per child per hour of full-time attendance in various childcare and development programs. The maximum reimbursable amount is \$118,069. Reimbursements are made on a quarterly basis from claims submitted by DSS to the State.

**Comment:** The \$118,069 anticipated reimbursement for FY 1990-91 represents an increase of \$5,234, or 4.6 percent over the FY 1989-90 amount of \$112,835.

**Recommendation:** Approve the proposed resolution.





Item 25 - File 172-90-11

**Item:** Resolution approving a renewal agreement for maintenance of State Highways in the City and County of San Francisco and authorizing the Mayor and the Clerk of the Board to sign said agreement, which includes a hold harmless provision.

**Amount of Agreement:** Maximum Annual Authorized Expenditure - \$458,700

**Source of Funds:** California Department of Transportation

**Agreement Period:** The agreement would become effective July 1, 1990 and would remain in full force and effect until amended or terminated.

**Description:** The California Department of Transportation and the City's Department of Public Works have negotiated a renewal agreement for the maintenance of State highway routes on city streets in the City and County of San Francisco. This agreement supercedes the previous agreement for the maintenance of State highways executed September 19, 1973.

Under the proposed agreement, the City would perform the following types of maintenance work on the State highway routes, as delegated by the State:

- (1) Roadbed maintenance
- (2) Maintenance of culverts, ditches, drains, fences, curbs and other structures, adjacent to the State highways (this would include vegetation control).
- (3) Maintenance of lots under and/or adjacent to the State highways.
- (4) Removal of litter and debris.
- (5) landscaping and maintenance of planted areas adjacent to the State highways.
- (6) Maintenance of traffic strips and markings, raised pavement markers and signs and supports. Also, the maintenance and repair of guideposts, roadside markers, guardrails and median barriers.

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- (7) Maintenance of electrical facilities including flashing beacons, traffic signals, traffic signal systems, safety lighting and sign lighting (this also includes the electrical energy for these facilities).

The proposed agreement provides for State reimbursement to the City for maintenance work performed on the following State highways:

1. State Route 1A (5.93 miles)

Junipero Serra Boulevard, from south city limits near Interstate 280, Interchange to Nineteenth Avenue; along Nineteenth Avenue from Junipero Serra Boulevard to Cross-Over Drive; along Cross-Over Drive from Nineteenth Avenue to By-Pass Drive; along By-Pass Drive from Cross-Over Drive to Park Presidio Boulevard; along Park Presidio Boulevard from By-Pass Drive to Lake Street.

Maximum Annual Authorized Expenditure	\$174,000
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2. State Route 35(a) (2.00 miles)

Skyline Boulevard, from south city limits to Sloat Boulevard.

Maximum Annual Authorized Expenditure	9,000
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3. State Route 35(b) (1.17 miles)

Sloat Boulevard, from Skyline Boulevard to Nineteenth Avenue, State Route 1.

Annual Authorized Expenditure	24,000
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4. State Route 80(a) (1.38 miles)

James Lick Freeway from the Division Street Interchange to the First Street Interchange near the San Francisco-Oakland Bay Bridge.

Maximum Annual Authorized Expenditure	\$33,000
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5. State Route 82 (0.21 miles)

San Jose Avenue from south city limits near Goethe Street to Sadowa Street.

Maximum Annual Authorized Expenditure	6,200
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6. U.S. Route 101(a) (5.99 miles)

Bayshore and James Lick Freeways from south city limits at the San Mateo County Line to junction of Central Freeway at the Division Street Interchange; also, Central Freeway from the Division Street Interchange to end of freeway at Golden Gate Avenue.

Maximum Annual Authorized Expenditure	62,800
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7. U.S. Route 101(b) (1.50 miles)

Golden Gate Avenue from the west line of Franklin Street to Van Ness Avenue, and Turk Street from the east line of Gough Street to Van Ness Avenue; also, Van Ness Avenue from Golden Gate Avenue to Lombard Street.

Maximum Annual Authorized Expenditure	\$75,200
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8. Interstate Route 280 (8.30 miles)

Southern Freeway from the San Mateo County Line at the St. Charles Avenue Overcrossing to the end of constructed freeway at Brannan Street; also, freeway on and off-ramps from Mission Street to Route 80.

Maximum Annual Authorized Expenditure	16,300
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9. State Route 480(a) (1.24 miles)

Embarcadero Freeway from First Street Interchange to Broadway and Sansome Street.

Maximum Annual Authorized Expenditure	4,700
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10. State Route 480(b) (1.34 miles)

Lombard Street from Van Ness Avenue to Richardson Street, along Richardson Street from Lombard Street to Lyon Street.

Maximum Annual Authorized Expenditure	<u>53,500</u>
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Total Cost	<u><u>\$458,700</u></u>
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The proposed agreement contains a hold harmless provision which provides that the State is not responsible for any damage or liability occurring by reason of anything done or omitted to be done by the City in connection with the maintenance work delegated to the City under this agreement. In addition, the provision provides that the City will defend and hold the State harmless with respect to all claims or suits on account of injuries or death to any person or damage to property resulting from the City's performance of the maintenance work delegated under this agreement. The agreement also contains a hold harmless provision which limits the City's liability in the same manner as the hold harmless provision noted above limits the State's liability.

**Comment:**

The above amounts payable by the State to the City reimburse the City for its costs up to the maximum amounts specified above.

**Recommendation:**

Approve the proposed resolution.



Item 26 - File 170-90-8

**Departments:** Water Department  
Hetch Hetchy  
Public Utilities Commission

**Item:** Resolution approving the issuance of San Francisco Water Revenue Bonds to provide funds for the reconstruction and replacement of existing facilities.

**Amount:** Not to exceed \$76,000,000

**Description:** The proposed resolution would provide for the issuance of San Francisco Water Revenue Bonds in an amount not to exceed \$76 million. The proposed bonds would be used to pay for a portion of the Water Department's and Hetch Hetchy's capital replacement and reconstruction needs.

According to Section 7.300 of the City's Charter, revenue bonds cannot be issued for any purpose unless the revenue bonds are first approved by a majority of the voters. However, as permitted under Section 7.312(d) and Section 7.313(d) of the City's Charter, the Water Department and Hetch Hetchy, respectively, may issue revenue bonds for reconstruction and replacement of existing facilities without compliance with the revenue bond voter approval requirements of Section 7.300 of the Charter, when authorized by resolution adopted by three-fourths of all the members of the Board of Supervisors.

According to the proposed resolution, the Water Revenue Bonds would have a term not to exceed 20 years and an interest rate not to exceed 12 percent annually.

The Board of Supervisors is currently considering six resolutions relating to the Water Department's proposed revised schedule of rates for water supplied to City and suburban retail customers, water supplied to suburban resale customers and for the schedule of rates to be charged for water use in excess of allotment and flow restricting installations (Files 142-90-1, 142-90-1.2, 142-90-2, 142-90-2.2, 142-90-3, 142-90-3.2). In these resolutions, the PUC is recommending water rate increases of 14 percent for City and suburban retail customers and 27.6 percent for suburban resale customers in 1990-91. These water rate increases are premised on the issuance of the

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proposed revenue bond legislation, that is the subject of this legislation.

**Comments:**

1. The Water Department and the PUC estimate that, if the proposed revenue bond is not issued and the Water Department were required to operate on a cash only basis, rate increases of 53 percent for City and suburban retail customers would be required for 1990-91 and rate increases of 26.9 percent would be required in 1991-92 in order to fund operating costs, preserve capital replacement and end the 1991-92 fiscal year with a fund balance of approximately \$4.0 million. To avoid such large rate increases in the next two years, the PUC is proposing to issue up to \$76 million of revenue bonds to be repaid over 15 years.

2. Although the proposed resolution permits a term not to exceed 20 years, the Water Department is currently proposing that the term of the bond sale be 15 years. In order to retire the bond debt, and meet operating and capital requirements of the Water Department, the PUC also projects that regular annual rate increases of 14 percent for City and suburban retail customers will be required for each year through 1995-96. The proceeds of the proposed bond sale will be used to fund \$40.9 million in capital projects (water main replacement and water service renewals) for the Water Department and approximately \$13 million in Hetch Hetchy repairs and improvements to the San Joaquin pipeline. The table below shows the estimated use of bond sale proceeds.

<u>Water Department</u>	<u>Millions</u>
1989-90:	
- Main Replacement & Service Renewals	\$8.0
1990-91 Through 1992-93:	
- Main Replacements	26.7
- Service Renewals	<u>6.2</u>
Total Water Department	\$40.9
<u>Hetch Hetchy</u>	
San Joaquin Pipeline:	
- Repairs	\$12.0
- Field Joints/Pipeline Connections	<u>1.0</u>
Total Hetch Hetchy	\$13.0
Total Construction Costs	\$53.9

Debt Service Reserve	7.0
Bond Issuance Cost	1.4
Capitalized Interest	<u>13.7</u>
Total Non-Construction Costs	<u>\$22.1</u>
Total Bond Costs	\$76.0

3. As shown in the table above, the PUC proposes to use approximately \$13.7 million of the bond proceeds to fund "capitalized interest", meaning that this amount will be used to make interest payments. A \$76.0 million, 15-year debt, assuming an interest rate of 7.5 percent annually, would require approximately \$8.61 million annually in debt service over the term of the bond issue in order to fully retire the debt. By paying a portion of the interest from the bond proceeds, the PUC is able to decrease new debt service requirements to approximately \$2.65 million for 1990-91 and 1991-92. By doing so, the PUC is able to adopt a rate schedule that provides for a rate increase of 14 percent for City and suburban retail customers and anticipates future rate increases of 14 percent each subsequent year through 1995-96. However, the use of capitalized interest reduces the amount of funds available for construction or, alternatively, requires a larger bond issue than would be required without the need to capitalize interest payments.

4. According to Ms. Jean Mariani of the Public Utilities Commission, the proposed resolution is intended to provide general authorization for an up to \$76 million bond measure, to be compatible with the proposed water rate increases that were approved by the Board of Supervisors on June 4, 1990.

5. Mr. Robert Kenealey of the City Attorney's Office, confirms that the proposed resolution provides only general intent and would not actually authorize the PUC to issue the \$76 million of revenue bonds. According to Mr. Kenealey, the PUC would have to submit a subsequent trust indenture, which requires approval by the Board of Supervisors, to authorize the specific sale of the bonds and provide the necessary detail for how the funds would be expended. In addition, once the bonds are sold, appropriation of the bond funds for the specific projects to the Water Department or Hetch Hetchy would require further approval of the Board of Supervisors.

6. The proposed revenue bonds will not constitute any indebtedness for the City's General Fund and reimbursement of the proposed revenue bonds will be paid solely out of the revenues from the Water Department.

7. As noted previously, the proposed resolution must be approved by three-fourths of all members of the Board of Supervisors, or a minimum of nine members.

**Recommendation:**

Approval of the proposed resolution to issue up to \$76,000,000 in Water Revenue bonds is a policy matter for the Board of Supervisors. The proposed Water Revenue bonds are contingent on the proposed increases in water rates that are currently being considered by the Board of Supervisors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Item 27 - File 221-90-2

1. The proposed resolution would urge the Mayor to use the FY 1990-91 discretionary Proposition 99 (Tobacco Tax) funding totalling approximately \$12 million out of the estimated allocation of \$18.6 million for new health services as outlined by the Coalition for Proper Expenditure of Tobacco Tax Funds, which is a coalition of local, non-profit organizations. As recommended in the Mayor's 1990-91 budget, these monies would be used to fund the continuation of existing services in lieu of use for new health services as is the case under this proposed legislation.

2. Proposition 99, through the AB 75 enabling legislation, provides new funds to be administered by county health departments 1) to provide counties with additional funds to meet the health care needs of indigent persons, 2) to address the uncompensated care costs of private hospitals and physicians, 3) to provide follow-up medical services for the existing Child Health and Disability Prevention (CHDP) program, and 4) to provide tobacco use prevention education. Proposition 99 funds are also available to counties for capital projects for medical facilities. The categorical (or restricted) uses of Proposition 99 funds are to provide health education regarding the use of tobacco and to reimburse physicians and private hospitals for the costs incurred through the provision of health care to medically indigent persons. Discretionary uses are for provision of medical services to indigent persons. The allocation of monies for this purpose are to be determined by the individual counties as long as spending for indigent care exceeds 1988-89 (base year) levels and that the county health system provides the same or an increased level of outpatient services.

3. Approximately \$26.9 million in total Proposition 99 - AB 75 revenue will be made available to the City and County of San Francisco for the current 1989-90 fiscal year. The current estimate for 1990-91 Proposition 99 funds allocated to San Francisco is \$18.6 million. The decrease is due to the fact that the Fiscal Year 1989-90 revenues include one-time only allocations for capital outlays, physician services and county hospital services; whereas Fiscal Year 1990-91 revenues do not include such one-time allocations. There was also a slight reduction in overall AB75 revenues available because of the declining tobacco tax revenue base.

4. These funds will be allocated in the manner displayed in the table on the following page, according to provisional proposals of the DPH. The revenues earmarked for discretionary purposes (\$14.5 million in 1989-90) have been applied against programs and services already funded in the 1989-90 budget. According to the Mayor's proposals for 1990-91, discretionary monies of approximately \$12.0 million will be used to continue these same services in 1990-91. This allocation of Proposition 99 revenue is permitted since funding levels already meet the criteria described above and substantially exceed expenditures for eligible services during the base fiscal year of 1988-89.

**Proposition 99 Provisional Allocations**  
(in \$ millions)

	Fiscal Year <u>1989-90</u>	Fiscal Year <u>1990-91</u>
<u>Categorical Allocations</u>		
Capital Outlay	\$ 4.0	
Tobacco Education	1.6	\$ 1.6
Private Hospitals	3.3	3.0
Physician Services		
One-time	1.3	
On-going	<u>2.2</u>	<u>2.0</u>
Subtotal	\$ 12.4	\$ 6.6
<p>- the above amounts are for one time capital projects, tobacco education and to pay private hospitals and physicians for unreimbursed costs incurred in the the provision of health care to indigent persons</p>		
<u>Discretionary Uses</u>		
County Hospitals	7.6	7.2
Other County Health Services	5.1	4.8
One time Hospital Costs	<u>1.8</u>	<u>-</u>
Subtotal	<u>14.5</u>	<u>12.0</u>
<p>- to reimburse the City and County for increased costs incurred over the base year (1988-89) for health care of indigent persons</p>		
Total Provisional Allocation	\$ 26.9	\$ 18.6

5. The Coalition for Proper Expenditure of Tobacco Tax Funds has prepared an outline of proposed uses of discretionary Proposition 99 funds for FY 1990-91, which is attached (Attachment 1). In summary, the proposed uses which total \$12,185,000 are as follows:

Children's multi-disciplinary services	\$2,000,000
Drug treatment services for mothers with children	2,200,000
Health outreach services to homeless	350,000
AIDS prevention and support for high risk minorities	2,000,000
Outpatient medical services for uninsured and low income	1,500,000
Peri-natal care to high risk pregnant women and infants	500,000
AIDS prevention for high risk adolescents	400,000
Therapeutic services for sexually abused children	260,000
Nursing support services at San Francisco General Hospital (SFGH)	475,000
Dental staffing and equipment at SFGH and District Health Centers	1,000,000
Mental health services for homeless, mentally disabled and refugee adults	<u>1,500,000</u>
Total	\$12,185,000

### Comments

1. The Mayor's Office reports that the Mayor's proposed uses of the discretionary funds for Proposition 99 monies in FY 1990-91 will fund the continuation of existing health care services to indigent persons which were increased in FY 1989-90 in anticipation of increased funding from Proposition 99. The Mayor's Office indicates that it believes that the Mayor's proposed budget reflects the general priorities as outlined by the Coalition given the limitations of the State guidelines for the use of the funds and the overall availability of funds. The Mayor's Office has prepared a graph depicting how the Proposition 99 funds fit into the DPH's budget and a summary of the DPH programs and items which received increases in FY 1989-90 (Attachment 2).

2. As noted in the table on the previous page, approximately \$7.2 million of the \$12.0 million in discretionary funds will be used for County Hospital services, which is in accordance with State guidelines. Therefore, only approximately \$4.8 million is available for the non-hospital County health services recommended by the Coalition. The DPH reports that the Health Commission will reexamine the Proposition 99 FY 1990-91 expenditure plans early in FY 1990-91.

3. To the extent that the \$12 million in discretionary Tobacco Tax funds is used for new services as outlined by the Coalition, rather than to continue funding existing services as proposed in the Mayor's 1990-91 budget, implementation of the Coalition's proposal would result in a revenue shortfall of up to \$12 million, unless additional revenues were raised or other expenditures were reduced.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Finance Committee  
June 6, 1990

**Recommendation**

Approval of the proposed resolution is a policy matter for the Board of Supervisors.



# COALITION FOR PROPER EXPENDITURE OF TOBACCO TAX FUNDS

126 HYDE STREET, SUITE 102, SAN FRANCISCO CA 94102  
346-3740 OR 641-4362

APR 23 1990

April 17, 1990

Dear Members of the Health Commission,

The health care delivery system in San Francisco fails to adequately address the health problems of many of our most needy people. Indications of the systems failures include:

- Lack of early intervention in health problems when preventive measures could avoid long term chronic illness
- Unacceptably long waiting periods for necessary outpatient, dental and mental health care
- Continued escalation of the crack crisis without treatment programs for major victims of the epidemic

The Tobacco Tax funds that are now available to San Francisco as a result of the passage of Proposition 99 provide the city with a unique opportunity to make significant strides in addressing these unmet needs. Because of our concern about the urgent health needs of many San Franciscans, the undersigned organizations have collaborated to develop joint recommendations for the expenditure of discretionary Tobacco Tax funds. Our organizations are coalitions which represent over 100 diverse groups throughout the city. We are acting in unison because we recognize the overlapping needs of our various constituency groups - homeless, children, refugees, AIDS victims, and indigent; and believe that a comprehensive plan to address their needs is required. The funding proposal we are making includes services to San Francisco's large immigrant and refugee population, with the recommendation that the availability of bi-lingual and bi-cultural providers be significantly expanded. Also implicit in the recommendations is our support for the Department of Public Health's plan to expand outpatient services through the primary care network.

We urge the Health Commission to allocate discretionary Tobacco Tax funds toward the following (all current priorities of the Department of Public Health):

- Children's multi-disciplinary health, mental health and substance abuse outreach services  
----- \$2,000,000
- Continuum of drug treatment services for mothers with children, including residential; and residential and peer counseling drug treatment and prevention program for youth  
----- \$2,200,000
- Health Outreach Services to homeless  
----- \$350,000
- Community-based AIDS prevention and support programs for high risk minority populations  
----- \$2,000,000

- Expansion of outpatient medical clinic services for uninsured and low income adults  
----- \$1,500,000
- Expansion of peri-natal care to high risk pregnant women and infants  
----- \$500,000
- Outreach services to high risk adolescents to prevent AIDS and other serious medical problems  
----- \$400,000
- Therapeutic services for sexually abused children  
----- \$260,000
- Support services to nursing units at SFGH  
----- \$475,000
- Expansion of staffing for dental services at SFGH and District Health centers, and funding for dental equipment and supplies  
----- \$1,000,000
- Outpatient, outreach and case management mental health services for homeless, mentally disabled, refugee adults in satellite community based settings  
----- \$1,500,000

We believe that it is in the best interest of San Francisco to use the Tobacco Tax funds for the purpose for which the voters intended - the creation of new and necessary health services. It is our understanding that last year's Department of Public Health budget increases were funded through the general fund. We believe that this should continue. The current plan to use Tobacco Tax funds for current services is unacceptable. If we proceed with this plan, we will be using money that should be targeted to new health services to solve the city's overall fiscal problems, at a great cost to the health of many San Franciscans. We recommend instead that Tobacco Tax funds be allocated toward the purposes listed above.

Sincerely,

Coalition on Homelessness

Coleman Advocates for Children and Youth

Community Health Coalition

Coalition for Homeless Women and Children

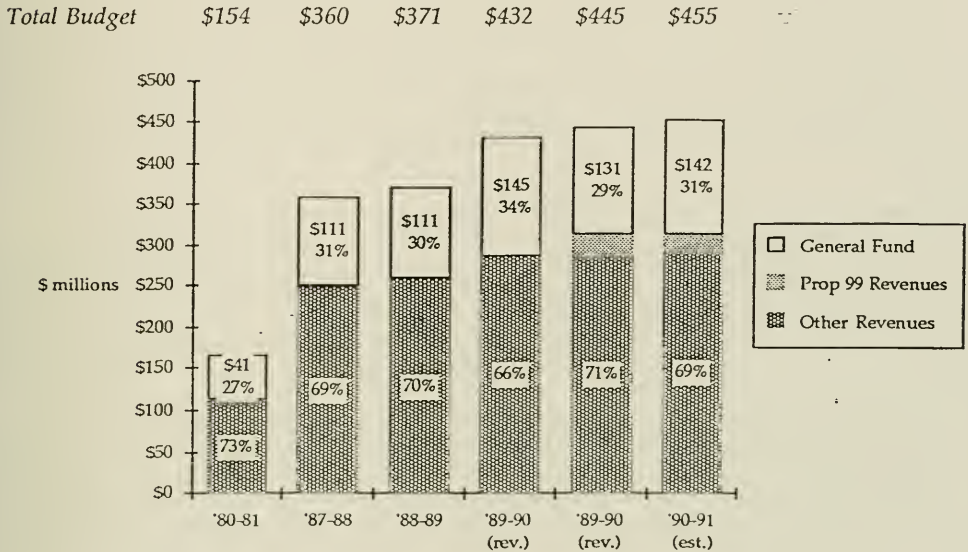
SEIU, Local 790

San Francisco Neighborhood Legal Assistance Foundation

Coalition on Immigrant and Refugee Rights and Services

cc: Mayor Art Agnos  
Supervisor Nancy Walker  
Deputy Mayor Carol Wilkins

## Proposition 99: How it fits into the Health Department's Budget (Percentages for "Other Revenues" category includes Proposition 99 funds)



(Note: '90-'91 estimated does not include SSO increases)

### What was responsible for increases in the budget in 1989-90?

Increased Costs		Program Enhancement		New Services	
16.00	SSO	2.40	SFGH—staff for revs & infrastructure	4.00	Prop 99—cap outlay
14.50	Nursing MOU			3.50	Prop 99—priv. MD
4.50	SFGH—inflation	2.10	MOU positions—LVNs, orderlies, PTs	3.30	Prop 99—priv. hosp.
2.70	MH—COLAs			3.00	Paramedics & rigs
<u>2.10</u>	SFGH—UC COLAs	2.00	Forensics med & psych staff	2.10	SFGH—new beds
39.80	Total	0.90	LHH—licensing & infrastructure	1.90	AIDS services
				1.60	Prop 99—tobacco ed
		0.50	LHH—earthquake capital repairs	1.30	Primary care
		<u>0.20</u>	YGC staffing	0.50	LHH—AIDS SNF beds
		8.10	Total	0.40	Family planning
				0.30	MH—case mgmt, voc rehab
				0.25	Crack res. treatment
				0.22	Jail diversion
				0.15	Occ. safety & health
				<u>0.03</u>	School health
				22.55	Total

Prepared by Mayor's Office, 3/6/90



Items 28 and 29 - Files 101-90-1 and 102-90-1

1. These items are the Interim Annual Appropriation Ordinance (File 101-90-1) and Interim Annual Salary Ordinance (File 102-90-1) for Fiscal Year 1990-91.

2. The annual budget process for the City and County requires that the Board of Supervisors approve an Interim Annual Appropriation Ordinance and an Interim Annual Salary Ordinance for fiscal year 1990-91 on or before June 30, 1990. The purpose of these interim ordinances is to provide position and expenditure authorization for the various departments of the City and County during the time that the Board of Supervisors is reviewing the Mayor's recommended budget for 1990-91 which is scheduled to be adopted by the Board of Supervisors on July 16, 1990.

3. The Interim Annual Appropriation Ordinance and Interim Annual Salary Ordinance are based on the 1990-91 proposed budget recommendations of the Mayor. Thus, these ordinances include authorization and funding for all new programs and program revisions which are included in the Mayor's proposed 1990-91 budget. Each new program and program revision will be reviewed in detail during the budget hearings and sessions which have been scheduled by the Finance Committee from June 13 through June 22, 1990.

4. In previous years, the Board of Supervisors has adopted as a general policy that new positions and new programs not be authorized prior to receiving detailed review and approval. This general policy has been implemented by instructing the Controller not to certify the availability of funds for new positions during the interim budget period between July 1 and July 31 and not to certify the availability of funds for new programs or program expansions during this period.

5. Further, the administrative provisions of the Interim Annual Appropriation Ordinance state that no funds shall be allotted until September 1 for capital improvements and equipment. However, leased equipment is not subject to these instructions. In certain cases, specific exceptions to these general policies have been approved by the Board of Supervisors. Exceptions have been based on such factors as revenue generating potential from new positions and programs and major service deficiencies which would result from delays in filling new positions or starting new programs. Approval of certain equipment could result in cost savings. Where an exception is made for new positions, the new positions can be filled effective July 1, if the exception is approved by the Board of Supervisors. Otherwise, the new positions will generally not be filled until on or about August 1.

6. Draft amendments to the Administrative Provisions of the Annual Appropriation Ordinance (AAO) have been prepared for 1990-91 by the Controller as follows:

- a. Section 4 would be amended to add a provision which would allow the Controller and General Manager of Personnel to make transfers of personnel due to reorganizations at mutually convenient times (such as at the end of a pay period).
- b. A new Section 30 is added which would allow the Controller to recover past interest forgone due to advances made by the City to the San Francisco County Transportation Authority.
- c. Section 11.13 has been deleted as a technical amendment to be consistent with a recent Supreme Court decision on unemployment benefits.

7. Section 3.2 of the Administrative Code provides that any amendments to the Administrative Provisions of the Annual Salary Ordinance shall be submitted by the Civil Service Commission to the Board of Supervisors. Accordingly, the Civil Service Commission prepared and submitted one proposed amendment to Section 1.34 of the Administrative Provisions of the Annual Salary Ordinance. This amendment resulted in an increase in the maximum allowable rate of pay for part-time employees from the current rate of \$667 per month to \$707 per month, representing a \$40 increase per month, or 6 percent. This amendment was recommended by the General Manager Personnel based on the average increase granted to Miscellaneous employees as required by Section 8.300(a)(3) of the City's Charter. Other administrative provisions of the Annual Salary Ordinance include fee schedules for various services. The proposed fee schedules for 1990-91, submitted by the Controller's Office, are attached (Attachment I).

### Recommendations

Approve the Interim Annual Appropriation Ordinance and the Interim Annual Salary Ordinance, including the administrative provisions of the Annual Appropriation Ordinance as recommended by the Controller until the Annual Appropriation Ordinance and Annual Salary Ordinance are finally passed by the Board of Supervisors and signed by the Mayor with the following amendments:

- a. That all funding and authorization for new positions and related program costs be reserved during the interim budget period through July 31, subject to the specific exceptions listed in Attachment II.
- b. That all funding for capital improvement projects except normal facilities maintenance projects be reserved through August 31.



Memo to Finance Committee  
June 6, 1990

- c. That funding for items of equipment be reserved through August 31. That all departments be requested not to lease any new equipment during the interim budget period through a letter to all Departments from the Clerk of the Board.
- d. That funding for all new and expanded programs not included as exceptions in Attachment II be reserved.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



City and County of San Francisco

Office of Controller



May 30, 1990

The Honorable Board of Supervisors  
City and County of San Francisco  
Room 235, City Hall  
San Francisco, California 94102

Re: 1990-91 Annual Salary Ordinance

Dear Mr. Taylor:

Attached hereto are schedules of charges and deductions for maintenance under Section 1.3-C of the Annual Salary Ordinance commencing July 1, 1990.

We have included comparative summaries of meal, lodging and laundry costs furnished to employees. Costs were compiled from Departmental data on rates as established in the 1989-90 Annual Salary Ordinance.

The recommended rates represent the projected amount necessary to recover the cost of meals and services provided to employees by the City and County of San Francisco based on actual costs incurred by the respective departments in the prior fiscal year and projections for the coming year, 1990-91.

A summary of rates recommended for change includes:

O'Shaughnessy Guest Cottage - increase meal costs \$9 per day  
Hetch Hetchy Boarding House - increase meal costs \$2 per day  
Juvenile Court - increase meal costs 60¢ per meal  
S.F. General Hospital - increase meal costs 30¢ to 40¢ per meal  
Laguna Honda Hospital - increase meal costs 85¢ to \$1.10 per meal  
Camp Mather - increase meal costs 25¢ per meal

Your approval of these rates is recommended.

Very truly yours,

*Samuel D. Yockey*  
Samuel D. Yockey  
Controller

BY:ac(85GEN37-41)

Attachments

SCHEDULE OF CHARGES AND DEDUCTIONS

Attachment 1  
Page 2 of 5

	<u>1989-90 ESTABLISHED RATE</u>	<u>1990-91 RECOMMENDED RATE</u>
<b>1. MEALS</b>		
<b>A. Hetch Hetchy Boarding House (except O'Shaughnessy Guest Cottage)</b>		
Breakfast, per meal	\$ 4.00	\$ 4.00
Lunch, per meal	7.00	8.00
Dinner, per meal	12.00	13.00
<b>B. O'Shaughnessy Guest Cottage and Bunk House</b>		
Breakfast, per meal	\$11.00	\$13.00
Lunch, per meal	14.00	19.00
Dinner, per meal	23.00	25.00
Room, Cottage	27.00	27.00
Room, Bunk house	16.00	16.00
<b>C. Department of Public Health</b>		
Breakfast, per meal		
Laguna Honda Hospital	\$ 3.85	\$ 4.70
San Francisco General Hospital	3.95	3.95
Lunch, per meal		
Laguna Honda Hospital	4.80	5.90
San Francisco General Hospital	6.00	6.30
Dinner, per meal		
Laguna Honda Hospital	4.40	5.45
San Francisco General Hospital	6.50	6.90
<b>D. Juvenile Court</b>		
All Institutions, per meal	\$ 3.30	\$ 3.90
<b>E. Recreation and Park - Camp Mather</b>		
Per meal	\$ 3.60	\$ 3.85
<b>F. Sheriff</b>		
All Jails, per meal	\$ 1.25	\$ 1.25

1989-90  
ESTABLISHED  
RATE1990-91  
RECOMMENDED  
RATE2. LAUNDRY

(With the exception of free  
laundering of uniforms for interns,  
residents, nurses, kitchen helpers  
and other employees.) Per pound

\$ .36

\$ .44

3. ROOM

San Francisco General Hospital (With the  
exception of free rooms furnished to interns  
and residents.)

Per bi-weekly pay period

\$175.00

\$175.00

Per person per night

\$ 17.50

\$ 17.50

HOUSE OR APARTMENT

Unless otherwise specified, lodging for all facilities except Hetch  
Hetchy Project, \$50.00 per room per month, or as established by the  
Director of Property on the request of the Department Head.

BOARD - COST PER MEAL (SEE NOTE)	ACTUAL COST <u>7-1-89 - 12-31-89</u>	ESTIMATED COST <u>7-1-90 - 6-30-91</u>
Hetch Hetchy Boarding House (except O'Shaughnessy Guest Cottage)	\$10.38	\$ 8.47
O'Shaughnessy Guest Cottage	14.33	16.00
Other Departments and Institutions		
Department of Public Health		
Laguna Honda Hospital		
Breakfast	\$ 4.50	\$ 4.72
Lunch	5.63	5.92
Dinner	5.17	5.43
Average	5.23	5.49
San Francisco General Hospital		
Breakfast	\$ 3.95	\$ 3.95
Lunch	6.28	6.28
Dinner	6.91	6.91
Average	5.75	5.75
Juvenile Court		
Log Cabin Ranch School	\$ 3.73	\$ 3.73
Juvenile Hall		
Average	\$ 4.03	\$ 4.03
Average Cost per Meal- Juvenile Court	\$ 3.88	\$ 3.88

	ACTUAL COST <u>7-1-89 - 12-31-89</u>	ESTIMATED COST <u>7-1-90 - 6-30-91</u>
Recreation and Park		
Camp Mather Average	\$ 3.83	\$ 3.83
Sheriff		
All Jails Average	\$ 1.25	\$ 1.25
<u>LAUNDRY</u>		
San Francisco General Hospital Unit Cost per pound	\$ .44	\$ .42
<u>LODGING</u>		
San Francisco General Hospital Room - per person per month	\$324.00	\$324.00

Note: Sale of meals by employers to employees are subject to State sales tax. Thus, meals sold to employees by the City and County are subject to 7%% sales tax. The meal cost figures and 1989-90 Annual Salary Ordinance rates stated in the schedules do not include any provision for 7%% sales tax payable by the City to the State.

BY:ac(85GEN37-41)

**RECOMMENDATIONS  
BY THE MAYOR AND BUDGET ANALYST  
ON THE INTERIM BUDGET EFFECTIVE JULY 1, 1990**

**Page No./  
(Index Code)**

**Airport**

		Security Checkpoint Program	\$2,955,801
415	(1)	A061N Terminal Manager	\$77,700
(574335)	(1)	A062N Assistant Terminal Manager	62,040
	(1)	9215N Airport Police Lieutenant	56,845
	(3)	9211N Police Sergeant	148,691
		060 Mandatory Fringe Benefits	85,525
		109 Contractual Services	1,625,000
		130 Materials and Supplies	25,000
		220 Equipment Purchase	875,000

The Airport, in a 12-month pilot program approved by the FAA, would, beginning September 1, 1990, assume responsibility for preflight screening of international passengers and baggage in order to improve international flight security. The Airport staff would develop standards for checkpoint security and supervise the contract employees performing passenger and baggage preflight screening. The two management positions under this program would also be responsible for monitoring the airlines' security operations at domestic checkpoints. Funding authority is required July 1, 1990, in order to secure contracting, establish procedures, etc., and in order to commence operations by September 1.

**Mayor's Recommendation:** Approve the proposed new Airport Fund expenditures to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Approve the proposed new Airport Fund expenditures to be effective July 1, 1990.

**BOARD OF SUPERVISORS  
BUDGET ANALYST**

**RECOMMENDATIONS  
BY THE MAYOR AND BUDGET ANALYST  
ON THE INTERIM BUDGET EFFECTIVE JULY 1, 1990**

**Page No./  
(Index Code)**

**City Planning**

1755 (331546)	(2)	5278Q Planner II	\$48,009
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1752 (331504)	(1)	5296R Planner IV-Urban Systems	54,156
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The three proposed positions were funded through a Supplemental Appropriation in fiscal year 1989-90 for Affordable Housing. The two Planner II positions are currently filled and the Department is currently recruiting for the one vacant Planner IV-Urban Systems position.

1755 (331546)	(1)	5109Q Deputy Zoning Administrator	\$79,890
	(1)	5277L Planner I	10,171

The two proposed positions were funded through a Supplemental Appropriation in fiscal year 1989-90 for plan checks and to eliminate the caseload backlogs in the Department. The two positions are currently filled. The Planner I position is projected to continue through October, 1990.

1752 (331504)	(1)	1863L Senior Systems & Procedures	\$22,408
	(1)	5276L City Planning Intern	6,060

The two proposed positions were funded through a Supplemental Appropriation in fiscal year 1989-90 to assist in conducting the 1990 Census. These two currently filled positions are proposed to continue through December 31, 1990.

**Mayor's Recommendation:** Approve the proposed continuation of these positions in the Interim Budget to be effective July 1, 1990.

**BOARD OF SUPERVISORS  
BUDGET ANALYST**



**RECOMMENDATIONS  
BY THE MAYOR AND BUDGET ANALYST  
ON THE INTERIM BUDGET EFFECTIVE JULY 1, 1990**

**Page No/  
(Index Code)**

**Budget Analyst's Recommendation:** Approve the proposed continuation of these positions in the Interim Budget to be effective July 1, 1990.

- (1) 5277L Planner I
- (1) 5299L Planner IV-Environmental

The two proposed positions were funded through a Supplemental Appropriation in fiscal year 1989-90 from Santa Fe Pacific Realty Corporation's Development Agreement Fee for Mission Bay. The continued funding for these two filled positions is dependent on the continuation of Mission Bay funds.

**Mayor's Recommendation:** Approve the proposed continuation of these positions in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** The two proposed positions are not included in the Mayor's FY 1990-91 Budget. Therefore, these two positions are not subject to the Interim Budget exceptions. The Mayor's Office should submit an amendment to the Mayor's proposed FY 1990-91 Budget to include these two positions.

Temporary Salaries \$38,400

The Department proposes to use unspent plan check backlog funds from Temporary Salaries that are remaining from their 1989-90 Supplemental Appropriation.

**Mayor's Recommendation:** These funds are not included in the Mayor's proposed 1990-91 budget. Do not approve in the Interim Budget.

**Budget Analyst's Recommendation:** Do not approve in the Interim Budget.

**BOARD OF SUPERVISORS  
BUDGET ANALYST**

**RECOMMENDATIONS  
BY THE MAYOR AND BUDGET ANALYST  
ON THE INTERIM BUDGET EFFECTIVE JULY 1, 1990**

Page No/  
(Index Code)

**Commission on Aging**

921 (1) 2646N Nutritionist  
(326090)

\$51,635

The Commission on Aging (COA) is proposing to upgrade a 9722 Specialist in Aging to a 2846 Nutritionist, due to the increasing volume of nutrition-related analysis of COA subcontracts. The COA is requesting this upgrade effective July 1, 1990, because the only nutritionist on staff is out on maternity leave.

**Mayor's Recommendation:** Approve the proposed upgrade of a 9722 Specialist in Aging to a 2846 Nutritionist in the Interim Budget to be effective July 1, 1990.

**Budget Analyst Recommendation:** Approve as requested.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**RECOMMENDATIONS  
BY THE MAYOR AND BUDGET ANALYST  
ON THE INTERIM BUDGET EFFECTIVE JULY 1, 1990**

Page No./  
(Index Code)

**Community Mental Health Service (CMHS)**  
**Business and Operations Support**

1263	(1)	2320 Registered Nurse	\$45,889
(730366)			

The proposed new General Fund position would assist Medi-Cal providers to prepare for Medi-Cal audits. The proposed new position would augment two existing nurses who currently provide technical assistance to 70 Medi-Cal providers and act as the mental health liaison to the State auditors. The CMHS reports an increase in the number of audits, from 12 audits in FY 1988-89 to 36 in FY 1989-90 to an estimated 48 to 60 in FY 1990-91. According to CMHS, delays in filling the requested position would result in continued disallowances of Medi-Cal units because of inadequate preparation, training and documentation. CMHS estimates that the new position could result in Medi-Cal savings of approximately \$10,000 to \$20,000 per month.

**Mayor's Recommendation:** Approve the proposed new General Fund position in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Do not approve the proposed position in the Budget to be effective July 1, 1990. The Department has not yet begun the hiring process and therefore would not be able to fill the proposed new position during the Interim Budget period.

**BOARD OF SUPERVISORS**  
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CMHS  
Adult Community Services

1279	(1)	2930 Psychiatric Social Worker	\$42,880
(730515)	(1)	2932 Senior Psychiatric Social Worker	45,869

The proposed new General Fund positions would augment two existing Psychiatric Social Workers who provide case management services. Medi-Cal recently expanded its coverage to include partial reimbursement of case management services. CMHS projected revenues were based on the proposed two new positions being filled as of July 1, 1990.

**Mayor's Recommendation:** Approve the proposed new General Fund position in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Do not approve the proposed position in the Budget to be effective July 1, 1990. The Department has not yet begun the hiring process and therefore would not be able to fill the proposed new positions during the Interim Budget period. In addition, the operation of the existing case management services is not contingent on hiring of the proposed one new Psychiatric Social Worker and one new Senior Psychiatric Social Worker.

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1278 (730515)	(1)	2587 Health Worker III	\$28,241
1279 (730515)	(2)	9924 Public Services Aides	\$30,576

The proposed new positions would implement a new vocational rehabilitation program for mentally disabled persons which includes training, hiring and supervising clients in various paying jobs, largely in the private sector. The State Department of Vocational Rehabilitation would fund the salary of the 2587 Health Worker III, who would act as the program supervisor, and for the salaries of the two (1.5 FTE) 9924 Public Services Aides, who are the clients.

**Mayor's Recommendation:** Approve the proposed new General Fund positions in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Do not approve the proposed positions in the Budget to be effective July 1, 1990. The Department has not yet begun the hiring process and therefore would not be able to fill the proposed new positions during the Interim Budget period. The State would reimburse the City only for the actual costs of the program. In addition, the Budget Analyst is closely scrutinizing whether the two (1.5 FTE) 9924 Public Services Aides should be funded through Temporary Salaries rather than Permanent Salaries.

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CMHS  
Rape Treatment Center

1271	(1)	2328 Nurse Practitioner	\$26,610
(731596)			

The proposed new position would supervise four FTE nurses who currently provide support services for victims of rape, and perform State-mandated evidence gathering which is used for legal prosecutions. For FY 1990-91, the State will reimburse CMHS for an amount up to approximately \$135,000 to provide additional State-mandated AIDS counselling to rape victims. According to State guidelines, the services were to have begun in January of 1990.

**Mayor's Recommendation:** Approve the proposed new General Fund position in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Do not approve the proposed position in the Budget to be effective July 1, 1990. The Department has not yet begun the hiring process and therefore would not be able to fill the proposed new position during the Interim Budget period.

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**Controller**

1644 (1) (315101)	A978 Senior Data Base Administrator	\$62,381
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This position was approved by the Board of Supervisors in a supplemental appropriation on May 28, 1990 (File 102-89-48).

1644 (1) (315101)	1866 Sr. Systems and Procedures Supervisor	56,843
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This position is a conversion of an existing temporary position that has been working on the installation of a Toxics Control Program for the Department of Public Health.

**Mayor's Recommendation:** Approve the two positions to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Approve as requested.

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**Juvenile Probation**

116		
(319558) (1)	8320 Counselor - Juvenile Hall	\$32,023

Currently a temporary counselor performs the function of supervising detainees performing outdoor exercises or other such activities. In order to meet California Youth Authority licensing requirements a permanent position is necessary.

**Mayor's Recommendation:** Approve the proposed new position in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Approve the proposed new position in the Interim Budget to be effective July 1, 1990.

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**Laguna Honda Hospital**

1149	(1)	A065 Hospice Coordinator	\$45,468
(448274)			

The proposed new General Fund position would coordinate patient screening, admissions, multi-disciplinary team assessments and bereavement counselling at LHH's AIDS/ Hospice Ward. This position was previously funded by grant monies, which were discontinued during FY 1989-90. The Hospice Coordinator position was terminated when the grant funds were no longer available. In May of 1990, the Ward expanded from seven to 28 beds and, according to LHH, is currently being supervised by a Physician and a Head Nurse. LHH reports that the Physician and Head Nurse are unable to devote full time to their clinical responsibilities and that this diverted time has the potential to adversely affect patient care. The DPH is currently interviewing for this position and expects to be able to fill the new staff position on July 1, 1990.

**Mayor's Recommendation:** Approve the proposed new General Fund position in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Approval of the proposed position, which was previously funded by grant monies, and which is currently not filled, and would now be funded by General Fund monies for the Interim Budget to be effective July 1, 1990, is a policy matter for the Board of Supervisors.

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**Mayor**

1722 (323725) (1)	A112N Principal Employee Relations Rep.	\$57,970
1722 (323725) (1)	9788EN Assistant to the Mayor IV.	53,259

These new positions would enable the Mayor's Office to perform Employee Relations functions which have been performed by two employees on loan from the Civil Service Commission. The Mayor's budget did not include funding for the 9788EN Assistant to the Mayor IV position. Funding for this position was inadvertently not included due to a computer malfunction when salary standardization was added into the budget. The Mayor's Office has advised the Budget Analyst that an amendment will be submitted to add funding for this position.

**Mayor's Recommendation:** Approve the two new proposed positions to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Approval of additional positions for the Employee Relations function is a policy matter for the Board of Supervisors.

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**Parking and Traffic**

510 (353201)	(1)	A006 Bureau Chief	\$79,168
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The Bureau Chief of this new department is currently engaged in overseeing the establishment of administrative and operational structures. The position is currently filled as a temporary position, with Civil Service approval through September 30, 1990.

510 (353201)	(1)	5290 Transportation Planner IV	\$59,722
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This position is currently filled through June 30, 1990 by work orders with the Department of City Planning. The position is currently working on the Board of Supervisors requested study concerning private vehicles on Market Street.

510 (353201)	(1)	Senior Management Assistant	\$48,128
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This position will work on the revenue tracking system for City parking meters, complete the new deployment plan for parking enforcement, and oversee the City's towing contract.

510 (353201)	(2)	1823 Senior Administrative Analyst	\$108,368
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These two positions are currently part of the temporary transition staff for this Department. The positions are establishing payroll and personnel systems, writing job descriptions, transferring new employees and establishing the general payroll and personnel functions of the department.

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510 (353201)	(1)	A098 Chief Financial Officer	\$58,209
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This position will provide general fiscal oversight and administration, including contract administration.

510 (353201)	(1)	1270 Department Personnel Officer	\$63,024
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The personnel officer will develop personnel policies, training and performance standards and will generally oversee the personnel unit.

510 (353201)	(2)	1222 Senior Payroll/Personnel Clerks	\$72,176
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These positions will provide support for the personnel and payroll functions of the department.

513 (353250)	(3)	8216 Senior Parking Control Officers	\$81,048
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These three positions are necessary for the transition to the new supervisory structure. Training for these positions must begin in July to ensure adequate on-street supervision by August 1, 1990.

**Mayor's Recommendation:** Approve the positions as requested.

**Budget Analyst's Recommendation:** Approve the positions as requested.

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**Port**

551 (590604))	(1)	A015 Development Project Coordinator	\$52,045
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The proposed new Port position is for preparing development plans for vacant and underutilized Port property and for implementing the development plans by coordinating the involvement of staff from other Port divisions, other governmental agencies, private developers and tenants, community groups, and maritime industry representatives. Examples of projects that require management include the Fisherman's Wharf Seafood Center, Mission Bay Land Exchange and Embarcadero Parking Improvements. Successful completion of these development projects will result in greatly increased revenues to the Port.

**Mayor's Recommendation:** Approve the proposed new Port Fund position in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Approve the proposed new Port Fund position in the Interim Budget to be effective July 1, 1990.

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**Public Defender**

40

(304170) (1)	2940N Child Welfare Worker	\$38,980
(3)	8174N Attorney, Civil and Criminal	128,165
(1)	8176N Trial Attorney, Civil and Criminal	50,543
(1)	8178N Senior Attorney, Civil and Criminal	59,978

Since 1988 the City has used private attorneys to represent juvenile dependency (custody) cases. The cost of private attorneys is up to three times more than the cost of using Public Defender attorneys. Funding for these positions would be work-ordered from the Superior Court.

**Mayor's Recommendation:** Approve the proposed six new positions in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Approve the proposed six new positions in the Interim Budget to be effective July 1, 1990.

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**Public Library**

1341 (615005)	(1)	9740 Staff Assistant IV	\$40,864
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The proposed new General Fund position is for the Library's Project Read Director, which is currently funded through Temporary Salaries out of State Foundation funds. The State Foundation funds for this position will end on June 30, 1990.

**Mayor's Recommendation:** Approve the proposed new General Fund position in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Approval of a current grant funded position to a General Fund position is a policy decision for the Board of Supervisors. The Budget Analyst believes that there is significant potential for the Project Read Director to develop grants and initiate fundraising activities to continue outside funds for the Project Read program without the need for additional General Fund support.

1344 (615013)	(1)	3618 Library Technical Assistant II	\$31,404
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The proposed position is an upgrade of a 3616 Library Technical Assistant I.

**Mayor's Recommendation:** Approve the proposed upgrade in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** The 3616 position proposed to be upgraded to a 3618 position is currently vacant. Furthermore, the proposed upgrade is related to the Library Technical Services' automation of serials cataloging and processing through an Inovaq system

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that is not currently planned for installation until September, 1990. Do not approve the proposed upgrade in the Interim Budget.

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**Public Health - Central Office**

1090 (441006)	(1) (1)	A092W Director, Health Information Services A093W Assistant Director, Health Information	\$89,001 76,551
1091 (4419956)	(1)	1652 Senior Accountant	39,721
1092 (4410060)	(1)	1657W Senior Systems Accountant	56,533
1113 (734301)	(1) (1)	1444S Secretary I 1920S Inventory Clerk	23,167 26,066
1114 (734301)	(1)	Dental Aide	31,685
1115 (734301)	(1)	2248S Assistant Director, Clinical Services II	80,808
1116 (734301)	(1) (1)	2846W Nutritionist 2992S Contract Compliance Officer I	20,562 47,450

**Mayor's Recommendation:** Approve the proposed position upgrades, downgrades, and substitutions to be effective July 1, 1990.

**Budget Analyst's Recommendation:** These approved position upgrades, downgrades, and substitutions are currently being evaluated for recommendation to the Finance Committee during its budget review. The proposed position adjustments are not needed for July 1, 1990 implementation. Do not approve.

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**San Francisco General Hospital**

1178 (460139) (1)	2323N Clinical Nurse	\$65,137
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This filled position is included in the proposed budget as a workorder position funded by the Department of Social Services (DSS). The position is being transferred from the DSS budget account to the Hospital's budget account. This Clinical Nurse position performs physical evaluations of children brought under the care of the Child Protection Center.

**Mayor's Recommendation:** Approve the proposed continuation of this position in the Interim Budget to be effective July 1 1990.

**Budget Analyst's Recommendation:** Approve the proposed continuation of this position in the Interim Budget to be effective July 1, 1990.

1180 (462580) (1)	A028N Special Program Coordinator	47,721
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1181 (462580) (3)	1426N Senior Clerk Typist	80,103
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1182 (462580) (2)	1637N Patient Account Clerk	64,953
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1184 (462580) (1)	2230P Physician Specialist (half-time)	37,001
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1188 (3)	2903N Eligibility Worker	83,536
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1189 (6)	2908N Hospital Eligibility Worker	192,101
(462580) (1)	2909N Hospital Eligibility Supervisor	42,664

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1190 (3) 2322N Head Nurse  
(462580)

170,174

These twenty new positions having annual salaries totalling \$718,253 are directly related to five revenue enhancement projects. The Controller's Office has certified \$4.5 million of additional revenues in the proposed budget. However, the Controller has certified these revenues contingent upon these proposed new positions being funded and filled on July 1, 1990. The five proposed revenue enhancement projects are as follows:

	<u>Revenue</u>
Outpatient Accounts Receivable Program	\$1.1 million
Weekend Eligibility Coverage	0.7 million
Pediatric/Prenatal Revenue Enhancement	0.5 million
Emergency Room Eligibility Team	0.9 million
Utilization Management Expansion	<u>1.3 million</u>
Total Revenues	\$4.5 million

**Mayor's Recommendation:** Approve the proposed funding of these positions in the Interim Budget to be effective July 1, 1990.

**Budget Analyst's Recommendation:** Code the positions "L" to make the positions authorized and funded for a limited period of time contingent on the anticipated additional revenues actually being received. Approve the proposed filling of these 20 new position in the Interim Budget effective July 1, 1990.

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1189 (462580)	(1) 2908Q Hospital Eligibility Worker	\$32,018
	This position was funded through a Supplemental Appropriation in fiscal year 1989-90 for the AIDS/Pentamidine Program.	
	<b>Mayor's Recommendation:</b> Approve the proposed continuation of this position in the Interim Budget to be effective July 1, 1990.	
	<b>Budget Analyst's Recommendation:</b> Approve the proposed continuation of this position in the Interim Budget to be effective July 1, 1990.	
1186 (462580)	(1) 2496T Radiologic Technologist Supervisor	\$42,042
	The Department reports that this filled position, which was previously in the budget (FY 1988-89), was dropped by the Department in error in the current year's budget (FY 1989-90) during the reclassification of Radiology Technologist positions. The Department is currently funding this position from its Temporary Salary account. The proposed action would re-establish this position as permanent, full-time.	
	<b>Mayor's Recommendation:</b> Approve the proposed continuation of this position in the Interim Budget to be effective July 1, 1990.	

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**Budget Analyst's Recommendation:** Approve the proposed continuation of this position from temporary to permanent full-time, in the Interim Budget to be effective July 1, 1990.

(1) 1424N Clerk Typist	\$24,399
(5) 2409N Pharmacy Technician	170,482
(1) 2550N Senior Occupational Therapist	50,112
(1) 2555N Physical Therapist Aide	34,558
(3) 2556N Physical Therapist	131,842
(1) 2736Q Porter	96,246

The Department requests these proposed new positions be funded and filled beginning September 1, 1990.

**Mayor's Recommendation:** The Mayor recommends that these proposed new positions be funded and filled beginning September 1, 1990.

**Budget Analyst's Recommendation:** We concur with the Mayor's recommendation not to approve this positions in the Interim Budget.

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**Department of Social Services**

980 (647008)	(1)	A121N Director of Planning	\$53,991
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The Department reports that this position will be responsible for generating additional revenues for the Department to reduce County costs by developing legislation, working with the State to change regulations, and writing applications for Federal and State grant funds. The Department requests funding beginning in July, 1990 so that these revenue and cost benefits can be realized.

**Mayor's Recommendation:** The Mayor recommends that the proposed position not be included in the Interim Budget. Approval would have minimal impact on Department's efforts to increase revenues and decrease costs for the month of July. The Mayor has budgeted the position to begin in August, 1990.

**Budget Analyst's Recommendation:** Do not approve the proposed position in the Interim Budget.

980 (647008)	(1)	A120N Cost Control Manager	53,087
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This position would oversee the preparation and submission of the quarterly expense claims, and would ensure that maximum revenues are claimed. The Department requests funding beginning July, 1990 so that the Department can begin generating revenues from improved expense claims.

**Mayor's Recommendation:** Do not approve the proposed position in the Budget. Approval would have minimal impact on Departments efforts to increase revenues and decrease costs for the month of July. The Mayor has budgeted the position to begin in August, 1990.

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**Budget Analyst's Recommendation:** Do not approve the proposed position in the Interim Budget.

989 (640060)	(2)	2912N Senior Social Workers	69,257
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The Department requests an interim exception for two new Homeless Program Social Workers to assist homeless people to (1) gain access to State and federally-funded entitlement programs such as SSI, therefore reducing the need for County-funded General Assistance (GA); (2) find stable housing so that they can begin living in non-City-subsidized shelters; and (3) prepare for employment in order to reduce their dependence on SSI, GA or AFDC. The two Social Workers would work in the two Multi-Service Centers (MSC), which are scheduled to open July 1, 1990. The Department reports that without the two Senior Social Workers stationed in the MSCs when they open, DSS would be unable to transition MSC clients out of the Service Centers and into entitlement programs and into stable housing and thereby releasing Multi-Service Center space for use by other homeless individuals seeking assistance. The Department expects that workloads would be sufficient to warrant the approval of the two Senior Social Worker positions.

**Mayor's Recommendation:** Approve the proposed positions in the Interim Budget to be effective July 1, 1990.

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**Budget Analyst's Recommendation:** Do not approve the proposed positions in the Interim Budget. The Multi-Service Centers will begin operation July 1, 1990, and as such, the client caseload cannot be expected to reach a level warranting the two Senior Social Workers during the first month. The Budget Analyst believes that existing social worker positions serving the Homeless program can adequately service the Multi-Service Center population until the new Senior Social Worker position are approved.

Item 30 - File 161-90-5

**Department:** San Francisco Redevelopment Agency (SFRA)

**Item:** Resolution approving an interim budget of the San Francisco Redevelopment Agency of the City and County of San Francisco for Fiscal Year 1990-91.

**Amount:** \$10,530,000

<b>Source of Funds:</b>	Rentals and Leases	\$1,031,000
	Prior Year Earnings and Savings	641,000
	Debt Proceeds	6,358,000
	Developer Contributions	<u>2,500,000</u>
	Total	\$10,530,000

**Description:** The San Francisco Redevelopment Agency (SFRA) has requested an interim budget for the two month period July 1990 through August 1990 totalling \$10,530,000 as follows:

Personnel Costs	\$1,285,000
Administrative Overhead	319,000
Debt Service (South Beach Harbor)	625,000
Yerba Buena Center (YBC) Reserve	806,000

Capital Project Activities:

Yerba Buena Center	\$3,591,000
Rincon Point-South Beach	160,000
Hunters Point NDP	44,000
India Basin Industrial Park	14,000
Western Addition A-2	204,000
Fisherman's Wharf	13,000
Bernal Heights	17,000
South of Market	150,000
Affordable Housing (City-wide)	1,518,000
South Beach Harbor	764,000
Economic Development (City-wide)	<u>1,020,000</u>
Subtotal	<u>7,495,000</u>
Total Interim Budget	\$10,530,000

The SFRA has indicated that the current existing level of the FY 1989-90 personnel and administrative costs would be extended during the interim budget period.

In addition, the SFRA requests approval for Capital Expenditures totalling \$7,495,000 which includes planning, legal services, acquisition, rehabilitation, relocation, maintenance, disposition, affordable housing, economic

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development and other improvements in the SFRA's various specific projects.

The Yerba Buena Center negotiations are currently underway for acquisitions of properties in the South of Market area. Architectural services are needed to insure timely completion of the plans so that Yerba Buena Gardens can be started on a timely basis. Rincon Point - South Beach is for acquisitions of properties for housing. The Hunters Point Neighborhood Development Program (NDP) is for housing start-up funding for the San Francisco Housing Development Corporation. The City-wide Affordable Housing is for housing subsidies. Since the commitment of these funds is based on opportunities to leverage other sources of funding, it is necessary to have some expenditure authority early in the fiscal year in order to be able to take advantage of these opportunities. Regarding City-wide Economic Development, negotiations for purchase of a site for a supermarket the South Bayshore area are already underway on several possible sites. It is necessary to have these funds available should these discussions come to fruition in the near future.

**Comments:**

1. During the current fiscal year, the SFRA has budgeted 115.5 full time equivalent (FTE) employees. This total is two more than was approved by the Board of Supervisors for the 1989-90 budget. The two additional positions, funded from salary savings, are assisting the new City-wide Tax Increment Housing Program (TIHP) and are identified as follows:

	<u>Top Step Annual Salary</u>
Housing Development Specialist	\$60,034
Asst. Housing Development Specialist	<u>49,374</u>
Total	\$109,408

2. On June 26, 1989, the Board of Supervisors approved the issuance of \$39.2 million in tax increment bonds to finance current FY 1989-90 redevelopment activities (Resolution No. 479-89). Of this total, \$16.9 million is to fund housing affordability programs and \$22.3 million is to fund on-going SFRA projects non-housing development activities. The Board of Supervisors also authorized the execution of an Indebtedness Limitation Agreement which approves the use of up to \$3.4 million annually or \$102 million over 30 years to service the annual debt charges required by the \$39.2 million

in bonds needed to fund approved SFRA activities in FY 1989-90.

3. The Mayor's recommended SFRA budget for FY 1990-91 totals \$98.8 million of which \$76.4 million would be from anticipated revenues, including property sales, rentals, prior year earnings, debt proceeds, tax increment proceeds, YBC reserve funds and developer contributions, and \$22.4 million would be from proceeds of new tax increment bonds if approved by the Board of Supervisors. SFRA estimates that the level of increase in General Funds monies to support the debt service for a tax increment bond issue of \$22.4 million would be \$2.5 million annually or \$75 million over 30 years.

4. The new tax increment bonds in the required amount of \$22.4 to support the SFRA 1990-91 budget are still subject to the approval of the Board of Supervisors which will be the subject of separate forthcoming legislation.

5. The \$2.5 million would be in addition to the current debt service obligation of \$3.4 million annual debt service on FY 1989-90 which together would amount to approximately \$5.9 million annually in tax increment payments for the next fiscal year and would continue for the next approximately 30 years, for total tax increment payments over 30 years of approximately \$177 million. The projected \$5.9 million annual cost does not include any additional tax increment revenue claims from future SFRA budgets and from the tax increment pledged from the South Beach Harbor Project.

6. The SFRA advises that the \$10,530,000 interim budget would provide personnel, administrative overhead, debt service and capital project costs for the two month period of July through August 1990 as a continuation of the previous FY 1989-90 budget and the carrying out of project goals as approved by the Board of Supervisors.

7. Approval of the proposed interim budget legislation is needed to provide the SFRA with expenditure authority for the two-month period July 1 through August 31, 1990.

Memo to Finance Committee  
June 6, 1990

**Recommendation:** Approve the proposed interim budget of the San Francisco Redevelopment Agency pending review by the Board of Supervisors of the total 1990-91 SFRA budget. As previously noted, approval of this proposed legislation permits expenditures for July and August of 1990 only at the existing 1989-90 level of service.



Item 31 - File 127-90-2

The proposed ordinance would amend Part III, Section 1007 of the San Francisco Municipal Code to impose an annual Business Tax Registration Fee of \$50, a decrease of \$150 annually or 75 percent from the current annual fee of \$200. The current annual fee of \$200 is scheduled to expire effective July 1, 1990.

In July, 1988, the Board of Supervisors approved amendments to the City's Municipal Code (File 127-88-1) to require annual renewal of Business Tax Registration Certificates and the annual payment of a \$200 Business Registration Fee. These provisions apply to all businesses operating in the City and County of San Francisco and to all contractors and vendors providing goods or services to the City. In December, 1988, the Board of Supervisors amended the Municipal Code (File 127-88-1.2) to exempt "small businesses" with annual gross receipts of \$15,000 or less from the \$200 Business Registration Fee.

In November of 1988, the Board of Supervisors appropriated (File 101-88-30) a total of \$859,748 to the Treasurer-Tax Collector for a Business Registration Fee Unit and amended the Annual Salary Ordinance (File 102-88-11) for the creation of 13 positions and for computer equipment costs and other operational-related costs associated with establishing a unit to process, enforce and collect the \$200 annual renewals of Business Tax Registration Certificates and the \$200 Business Registration Fee. The Business Registration Fee Unit was also created to identify businesses located outside of San Francisco that do business in San Francisco and which would be subject to the Business Registration Fee. The Unit has also attempted to identify businesses that are not paying other taxes that are due to the City.

Comments

1. According to Mr. Richard Sullivan of the Tax Collector's Office, the annual \$200 Business Registration Fee is projected to generate \$8 to \$9 million in fiscal year 1989-90. Based on the current annual revenue collection of approximately \$8 to \$9 million for the \$200 Business Registration Fee, it is reasonable to assume that a reduction of the annual fee to \$50 would result in \$2 million to \$2.25 million of annual revenue to the City, or about one-fourth of the current revenues.

2. Mr. Sullivan reports that the Business Registration Fee Unit includes both the Business Tax Unit, responsible for processing new applications for registration, collecting fees and sending out delinquency notices and the Tax Clearance Unit, responsible for identifying businesses not currently registered, firms that are doing business in San Francisco and checking if such businesses owe other City taxes. In addition, there are two positions in the Purchaser's Office that are responsible for insuring that any firm that does business with the City of San Francisco is registered with the City and has paid all applicable taxes. According to Mr. Sullivan, the 1989-90 budgeted cost for these staff activities is approximately \$625,000.

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3. Since 1988, when the Board of Supervisors approved the Business Tax Registration Certificates and the \$200 Business Tax Registration Fee, Mr. Sullivan reports that a total of 17,505 new business registrations have been issued. During this same time, the Tax Collector's Office has closed out 14,202 backlogged business registration files for businesses that have closed, gone out of business, no longer owe the City taxes, etc.. Together, these two efforts have resulted in 3,303 net new business registrations for the City.

4. The Mayor's proposed budget for fiscal year 1990-91 includes a reduction of the Business Registration Fee from \$200 to \$150 per year. The City's payroll/gross receipts tax is currently 1.6 percent. For 1990-91, this tax is presently scheduled to be 1.5 percent, down from the 1.6 percent in 1989-90. However, businesses can deduct the current \$200 annual Business Tax Registration Fee from the amount of payroll/gross receipts taxes owed. While, the Mayor's proposed budget for 1990-91 reduces the payroll/gross receipts tax from 1.6 percent to 1.5 percent, the Mayor's budget proposes that businesses, which currently pay the payroll/gross receipts taxes no longer be allowed a credit of the proposed annual \$150 registration fee. Based on these proposals, the Mayor's budget includes \$7.4 million of revenues for 1990-91.

5. A comparison of the existing ordinance, the Mayor's proposal for fiscal year 1990-91 and the proposed ordinance that is the subject of this legislation, including the amount of revenues to be generated by each, are as follows:

	<u>Annual Registration Fee</u>	<u>Projected Revenues</u>
Current Ordinance	\$200	\$8 to \$9 million
Mayor's Proposed Budget*	\$150	\$7.4 million
Proposed Ordinance (This item)**	\$50	\$2 to \$2.25 million

\* Includes provision that businesses that currently pay the payroll/gross receipts taxes will also pay the proposed \$150 annual Business Tax Registration Fee, without receiving a credit for the payments of that annual fee.

\*\* No credit against payroll/gross receipts taxes is given under the proposed ordinance.

6. According to Mr. Sullivan, if an annual registration fee of \$150 is imposed and no credit is given to businesses which pay the payroll/gross receipts taxes, he estimates a total of \$7.2 million to \$7.5 million would be generated in 1990-91. Mr. Sullivan reports that the same level of staffing and work will be required of the Tax Collector's Office regardless of whether the Business Tax Registration Fee is \$200, \$150 or \$50. In fact, according to Mr. Sullivan, even if there were no Business Tax Registration Fee, most of the costs incurred by the Tax Collector's Office would continue in order to issue the currently required annual registration certificates (separate and apart from the fee collection).

**Recommendation**

Establishment of an annual Business Tax Registration Fee of \$50 is a policy decision for the Board of Supervisors. However, as noted above, the Mayor's proposed 1990-91 budget assumes establishment of a Business Tax Registration Fee at the rate of \$150 annually and that businesses which pay the payroll/gross receipts tax no longer be granted a credit for the payment of the Annual Business Tax Registration Fee against their gross receipts or payroll taxes paid to the City. As previously noted, the current \$200 Business Tax Registration Fee expires effective July 1, 1990.



Item 32 - File 127-90-3

The proposed ordinance would amend Part III, Section 1007.1 of the San Francisco Municipal Code to require issuance of vehicle identification tags for all commercial vehicles doing business in San Francisco. The proposed ordinance would also amend Ordinance No. 358-88 by deleting Sections 1003, 1007 and 1009.2 which are inconsistent with Ordinance No. 345-88. Ordinance No. 358-88 pertains to the City's existing Business Tax Ordinance. Ordinance No. 345-88 pertains to technical changes that should be included in the Business Tax Ordinance.

Currently, under Section 1007.1 of the City's Municipal Code, only roofing and reroofing contractors are required to obtain vehicle identification tags for their commercial vehicles. Under both the current and proposed provisions, only company vehicles which are registered as commercial vehicles with the California Department of Motor Vehicles and are used in conducting business would be subject to the vehicle identification tag requirement. These provisions would not apply to personally owned vehicles. The Tax Collector currently charges an annual fee of \$30 for each tag issued in order to cover the City's cost of issuing the tags. The proposed ordinance would maintain this \$30 annual fee.

The proposed ordinance would specifically amend the Municipal Code to include all businesses upon which a tax is imposed by provisions of the City's Business Tax Ordinance. The City's Business Tax Ordinance includes the annual Gross Receipts/Payroll Taxes and the annual Business Tax Registration Fee. Therefore, under the proposed ordinance, each of the businesses that currently pay annual Gross Receipt Tax, Payroll Tax or the Business Tax Registration Fee would be required to obtain vehicle identification tags at an annual fee of \$30 per tag for their commercial vehicles.

Comments

1. According to Mr. Richard Sullivan of the Tax Collector's Office, the current \$30 vehicle identification tag requirement for roofing and reroofing contractors was imposed in late 1988 at the request of the local roofing industry in order to assist them in monitoring roofers that were performing illegal work in San Francisco. At that time, the City's Building Code was amended to require the issuance of a permit to install a new roof. In 1989, the Tax Collector issued 361 annual vehicle identification tags for a total revenue collection of \$10,830. As of April 30, 1990, the Tax Collector's Office has issued 431 annual vehicle identification tags for a total revenue of \$12,930. Mr. Sullivan reports that the Tax Collector has not increased his staff to handle the issuance or monitoring of the vehicle identification tag provision for the roofing industry. Mr. Sullivan states that because the current ordinance was initiated by the roofing industry, roofing contractors generally assist in policing non-compliance with the provisions.

2. The current vehicle identification tags are permanent stickers that are issued for a particular vehicle. The tags are affixed to the bumper of the assigned commercial roofer's vehicle.



3. Mr. Sullivan reports that a total of approximately 59,000 businesses, including apartment houses, currently pay taxes to the City under the provisions of the Business Tax Ordinance. The State Department of Motor Vehicles (DMV) reports that, as of April 30, 1990, a total of 69,047 commercial license plates have been issued in San Francisco County. Mr. Sullivan reports that it is not possible to accurately project the number of annual vehicle identification tags that would be required to be issued to commercial vehicles under the proposed ordinance or the amount of revenue to be generated and that until the number of vehicle identification tags to be issued is known and the required enforcement of these provisions are identified, he cannot estimate the number of staff positions or the costs required to implement the proposed legislation. However, the Budget Analyst conservatively estimates that if approximately 25 percent of the DMV's commercial vehicles registered in San Francisco, or 17,262 ( $69,047 \times 0.25$ ), were subject to the proposed ordinance, the proposed ordinance, at a fee of \$30 per tag, would generate approximately \$517,860 ( $17,262 \times \$30$ ) in annual revenues.

4. In discussions with the Budget Analyst, other issues were raised by the Tax Collector's Office that are not currently addressed by the proposed ordinance. For example, responsibility for enforcement of the proposed vehicle identification tag provisions is not identified in the proposed ordinance. In addition, no penalty for non-compliance with these provisions is specified. Based on discussions with the Tax Collector's Office, if the proposed ordinance is approved, consideration could be given to requesting that the newly created Parking and Traffic Department be responsible for enforcement of these provisions. This would require a change to the Vehicle Code to impose fines and penalties for non-compliance.

5. However, other related compliance concerns were identified by the Tax Collector's Office that would affect the ability to enforce the proposed ordinance. For example, because of pre-emption by federal and State laws, the City's Business Tax Ordinance exempts vehicles operated in Interstate and Intercity Commerce from the City's tax provisions and therefore from the proposed vehicle identification tag provisions. Similarly, according to Section 1004.12 (f) of the Business Tax Ordinance, no tax is required for the operation of any motor vehicle in San Francisco if such operation is occasional (an average of less than once a week in any quarter) and incidental to a business conducted elsewhere. Such vehicles would then also not be subject to the proposed vehicle identification ordinance.

6. Another issue raised by the Tax Collector's Office concerns how businesses located outside of the City that have multiple commercial vehicles entering the City would be effected by the proposed ordinance. For example, a dairy located in the East Bay or United Parcel Service (UPS) in the South Bay may have numerous commercial vehicles that may be in the City on any given day. Businesses located outside of San Francisco that conduct business activities within the City currently prorate their gross receipts/payroll taxes based on the total amount of business conducted in the City on an annual basis. However, depending on a business' operations, a greater or lesser number of vehicles may

be required to be in San Francisco on any given day. Whether these companies would be required to purchase annual vehicle identification tags for all of their commercial vehicles that ever go into San Francisco, or whether the form of the current vehicle identification tag could be changed to enable companies to transfer vehicle identification tags among vehicles needs to be clarified.

7. Given the concerns raised by the Tax Collector's Office, if the Board of Supervisors wishes to expand the vehicle identification tags to all commercial vehicles doing business in San Francisco, the Budget Analyst recommends that the proposed ordinance be clarified to identify enforcement responsibilities, penalties for non-compliance, any changes to other local laws that are necessary, such as the Vehicle Code, and applicability to firms located outside of San Francisco that conduct business in San Francisco. The addition of such provisions would clarify which commercial vehicles are subject to the proposed ordinance.

8. The proposed ordinance would also amend Ordinance No. 358-88 in order to make technical changes to conform provisions of Ordinance No. 358-88 with Ordinance No. 345-88. Ms. Mary Jane Silvia of the City Attorney's Office reports that inconsistencies were created in 1989 when the Board of Supervisors approved the continuation of the annual \$200 Business Registration Fee subsequent to approving a technical ordinance related to these provisions. The proposed ordinance will implement technical provisions of the City's Business Tax Registration Fee Ordinance to eliminate these inconsistencies.

### **Recommendations**

1. Approval of the proposed ordinance to require that all commercial vehicles doing business in San Francisco obtain vehicle identification tags, at an annual fee of \$30 per tag, is a policy decision for the Board of Supervisors.

2. If the Board of Supervisors approves the proposed ordinance, the legislation should be clarified as described in Comment No. 7 above, to include specific applicability of the proposed ordinance, enforcement provisions, non-compliance penalties and any related legislative changes.





Item 33 - File 127-90-4

The proposed ordinance would amend Part III, Article 12C, Section 1102 of the San Francisco Municipal Code to increase the real property transfer tax rate from \$2.50 to \$5.50 for each \$500 of consideration of value and delete the exemption for assumed indebtedness from the real property transfer tax.

Part III, Article 12C, Section 1102 of the City's Municipal Code currently states that for each deed for which any land or other property sold within the City and County of San Francisco is transferred or otherwise conveyed to any other person or persons, when the value of the interest or property conveyed exceeds \$100, a tax at the rate of \$2.50 for each \$500 or fraction thereof shall be imposed. This tax is referred to as the real property transfer tax. The existing real property transfer tax provisions also exclude the value of any lien or encumbrance remaining at the time of the sale from the \$2.50 for each \$500 of value.

The proposed ordinance would increase the current real property transfer tax rate from \$2.50 to \$5.50 per \$500 of property value. The proposed increase of \$3.00 per \$500 of property value represents a 120 percent increase in the City's real property transfer tax rate. In addition, the proposed ordinance would delete the City's existing provision which excludes the value of any lien or encumbrance remaining at the time of the sale from the real property transfer tax if the buyer purchases the property and assumes the seller's existing financing.

Analysis

1. The exclusion of the value of any lien or encumbrance remaining at the time of the sale, which is the case under the existing ordinance, means that if a buyer purchases property and assumes the seller's existing financing, then the amount assumed is not subject to the City's real property transfer tax. For example, as shown in the chart below, if a buyer purchases a \$300,000 home, and has an equity of \$60,000, and assumes the seller's existing financing of \$240,000, then the amount of real property transfer tax owed to the City based on the existing rate of \$2.50 per \$500 of value would be \$300 ( $\$2.50 \text{ per } \$500 \times \$60,000$ ). Under the proposed new ordinance, using the same \$300,000 home example, whereby the existing lien (mortgage) or encumbrance is assumed, the house would be taxed under the proposed new rate of \$5.50 per \$500 of value and the amount of real property transfer tax owed to the City would be \$3,300 ( $\$5.50 \text{ per } \$500 \times \$300,000$ ). Using this example, the real property transfer tax would increase from \$300 to \$3,300, an increase of \$3,000, or a 1,000 percent increase.

	<u>Existing</u>	<u>Proposed</u>
Purchase Price	\$300,000	\$300,000
20 % Equity	60,000	60,000
Assumption of Financing	240,000	240,000
Property Value for Transfer Tax	\$60,000	\$300,000
Transfer Tax Rate Per \$500	2.50	5.50
Property Transfer Tax Owed	300	3,300

2. If a buyer does not assume the seller's existing financing and secures new financing to purchase property, then under both the existing and the proposed legislation, the full sales price value of the property is used to determine the City's real property transfer tax. For example, as shown below, if a buyer purchases a \$300,000 home, places a 20 percent downpayment, or \$60,000, and seeks a new loan from a bank for the \$240,000 balance, then the amount of real property transfer tax owed to the City based on the existing rate of \$2.50 per \$500 of value would be \$1,500 (\$2.50 per \$500 x \$300,000). Under the proposed ordinance, the real property transfer tax owed to the City would be \$3,300 (\$5.50 per \$500 x \$300,000), an increase of \$1,800, or a 120 percent increase.

	<u>Existing</u>	<u>Proposed</u>
Purchase Price	\$300,000	\$300,000
20 % Downpayment	60,000	60,000
New Financing	240,000	240,000
Property Value for Transfer Tax	\$300,000	\$300,000
Transfer Tax Rate Per \$500	2.50	5.50
Property Transfer Tax Owed	1,500	3,300

3. According to Mr. Bruce Jamison of the Recorder's Office, a study in 1988, based on a random selection of 1,000 taxable conveyances processed through the Recorder's Office found that in approximately 30 percent of the property values conveyed through the Recorder's Office, the buyer assumed the seller's existing financing. However, the amount of financing assumed will vary depending on current interest rates, the interest rates of the assumable mortgages, the ability of the seller to offer such financing, the desire of the buyer to assume the mortgage, etc.

4. In the 1990-91 Annual Appropriation Ordinance (Interim Budget), based on the provisions in the existing ordinance, the current real property transfer tax is estimated to generate approximately \$21 million annually of revenue for the City. As shown below, given that the transfer tax rate is proposed to increase from \$2.50 to \$5.50 per \$500 of value, a 120 percent increase, it is projected that the existing \$21 million of annual transfer tax revenues would also increase approximately 120 percent or an increase of \$25.2 million annually, for a total of approximately \$46.2 million in 1990-91. In addition, based on a more conservative

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estimate (than the 30 percent found in the 1988 study of the Recorder's Office), that approximately 20 percent of the property values are assumed indebtedness, the elimination of this exemption would increase the transfer tax by 25 percent (increase from 80 percent collections to 100 percent collections). Therefore, the elimination of the exemption would increase tax revenues by an additional \$11.55 million annually (25 percent x \$46.2 million). Together, these two provisions in the proposed ordinance are projected to increase City transfer tax revenues by \$36.75 million (\$25.2 million + \$11.55 million) from \$21 million to approximately \$57.75 million per year, an increase of 175 percent, as follows:

Current Revenues	\$21.00 million
Percent Increase in Rate	x 120 %
Projected Increased Revenues from Rate Increase	<u>\$25.20 million</u>
Subtotal Revenues from Rate Increase	\$46.20 million
Projected Percent Increase from Elimination of Exemption	x 25 %
Projected Add. Revenues from Elimination of Exemption	<u>\$11.55 million</u>
Total Annual Revenues Projected	\$57.75 million

### Comments

1. Mr. Jamison reports that the general practice in San Francisco is for the seller to pay the real property transfer tax. However, there is no legal requirement that the seller must pay the tax and the payment of the transfer tax can be negotiated between the seller and buyer during the purchase of the property. According to Mr. Jamison, both the buyer and the seller are legally liable for payment of the property transfer tax.

2. Based on discussions with Mr. Jamison, if the proposed ordinance is approved, consideration should be given to delaying the effective date of the legislation for 60 to 90 days to provide adequate notice to all real estate companies and title companies of the changes in the City's transfer tax rate. Providing such time will enable properties that have not entered escrow to include sufficient funds to pay the new taxes.

3. Mr. Jamison also reports that if the proposed legislation is approved, the Recorder's Office may need additional monitoring staff to insure compliance with the new ordinance. According to Mr. Jamison, the Recorder's Office currently monitors at least five percent of all transactions. In most cases, there is voluntary compliance. However, Mr. Jamison states that given the significant increase in the proposed rates, the voluntary compliance rate may decrease. Estimated number of staff or costs of such additional monitoring efforts are not currently available from the Recorder's Office.

4. A survey conducted by the Recorder's Office of property transfer taxes charged in neighboring San Francisco Bay Area communities found that all counties in California charge a rate of \$1.10 per \$1,000 of property value (\$0.55 per \$500) and have a provision for the exemption of liens and encumbrances, or assumed indebtedness. Within each county, chartered cities may charge an additional property transfer tax. All of the Bay Area cities that charge additional

transfer taxes base the tax on the full value of the property. The following chart identifies the five Bay Area counties' transfer tax rates and lists the cities located within each of these five counties that charge transfer taxes.

<u>County/City</u>	<u>County Transfer Tax per \$500 of Value</u>	<u>City Transfer Tax per \$500 of Value</u>	<u>Total Transfer Tax per \$500 of Value</u>
<u>Alameda County</u>			
City of Alameda	\$0.55	\$2.20	\$2.75
City of Albany	0.55	2.20	2.75
City of Berkeley	0.55	5.00	5.55
City of Oakland	0.55	4.75	5.30
City of Piedmont	0.55	2.20	2.75
<u>Contra Costa County</u>	0.55	0	0.55
No cities in Contra Costa County charge an additional transfer tax.			
<u>Marin County</u>			
San Rafael	0.55	.20	0.75
<u>San Mateo County</u>			
City of San Mateo	0.55	2.50	3.05
<u>Santa Clara County</u>			
City of San Jose	0.55	1.65	2.20
City of Mountain View	0.55	1.65	2.20

Based on the above data, if the proposed property transfer tax is increased in San Francisco to \$5.50 per \$500 of property value, other than the City of Berkeley, San Francisco will have the highest property transfer taxes in the Bay Area. However, as reported by Mr. Jamison, the City of Berkeley has a provision in their property transfer tax that excludes all personal residences if occupied for more than five years from paying any property transfer tax, when the property is sold. As reflected by the chart above, most cities do not charge an additional property transfer tax.

5. Discussions with the City Attorney's Office and the Controller's Office indicate that increases in the City of Oakland's property transfer tax have resulted in a lawsuit concerning the legality of such increases given the provisions established in the State's Proposition 13. Mr. Buck Delventhal of the City Attorney's Office reports that the Superior Court has recently upheld the City of Oakland's increases in their transfer tax, although this decision may be appealed. Mr. Sam Yockey of the Controller's Office reports that he is awaiting further information from the City Attorney's Office regarding whether there would be a need to sequester any increased revenues resulting from an increase in property transfer taxes, if the proposed ordinance is approved, pending the outcome of adjudication.

**Recommendation**

Approval of the proposed ordinance to increase the City's real property transfer tax from \$2.50 to \$5.50 and to delete the exemption for assumed indebtedness from the real property transfer tax is a policy matter for the Board of Supervisors. As previously noted, this would result in an estimated tax increase of 175 percent, generating additional tax revenues of \$36.75 million annually.

If the proposed ordinance is approved, consideration should be given to delaying the effective date to provide adequate notice to effected parties.







Item 34 - File 100-90-1

1. This item is to consider revenue proposals by the Mayor and the Board of Supervisors.
2. Major revenue increase proposals included in the Mayor's recommended 1990-91 budget are as follows:

<u>Revenue Measure</u>	<u>Budget Analyst's Estimated Increases in Annual Revenues</u>
Imposition of the Business Tax Registration Fee at the rate of \$150 annually in lieu of the present \$200 annual fee and accompanied by the elimination of the presently granted credit of this fee from the total annual amount of the Payroll and Gross Receipts Taxes which are paid by businesses to the City. The present \$200 fee is scheduled to expire effective July 1, 1990. In the Mayor's proposed 1990-91 budget, revenues of \$7.4 million are included. However, the Tax Collector projects revenues of \$7.2 million to \$7.5 million would be generated, if the Mayor's proposal is adopted.	\$7.2 million \$7.5 million
Continuation of the \$8.00 annual fee to support the budget of the Rent Arbitration Board. This fee is scheduled to expire effective July 1, 1990. The Mayor is proposing to eliminate the sunset provision on the Rent Arbitration Board fee legislation and to permit landlords, if they choose to pass the fee on to tenants, to deduct the fee from the annual interest landlords pay tenants on security deposits rather than billing the tenants separately.	\$1.2 million

Budget Analyst's  
Estimated Increases  
in Annual Revenues

Revenue Measure

A 25 percent increase in the Parking Tax from a rate of 20 percent to a rate of 25 percent. In 1980, the voters approved a 10% surcharge (Proposition R) in addition to the 15% parking tax rate, thereby increasing the effective Parking Tax rate from 15% to 25% of parking fees charged. After approval of this increase by the voters in June 1980, the Board of Supervisors approved five six-month deferrals and one three-year deferral of its implementation. In December 1985, the Board of Supervisors lifted the deferral on 5% of the deferred 10% surcharge, effective March 1, 1986, thereby effecting a 20% total Parking Tax, and continued to defer the remaining 5% of the 10% surcharge authorized by the voters in 1980. Therefore, the total effective Parking Tax continues presently to be 20% (15% Parking Tax plus 5% Parking Tax surcharge). The revenue estimate of \$5.0 million, included in the Mayor's recommended 1990-91 budget, assumes a starting date of this 25 percent tax increase as of August 1, 1990.

\$5.0 million

Increase in Parking Enforcement through the hiring of 46 new Parking Control Officers. Parking fines would increase from an estimated \$44.7 million to an estimated \$51.2 million or an increase of approximately 14.5 percent. The Mayor's Office estimated increased revenues of \$3.4 million annually. Based on a review of the 1990-91 Interim Annual Appropriation Ordinance and discussions with Mr. Madden of the Controller's Office, estimated annual revenues of \$6.5 million should be generated or \$3.1 million more than estimated by the Mayor's Office. However, the Controller has included the correct amount of \$6.5 million in the Mayor's recommended 1990-91 budget and, therefore, the 1990-91 budget has been balanced based on the correct \$6.5 million revenue estimate.

\$6.5 million

Budget Analyst's  
Estimated Increases  
in Annual Revenues

Revenue Measure

Increase in Zoo admission fees in accordance  
with the following schedule:

\$0.6 million

	Current Rate	Approved Rate
Adult (16-65)	\$5.00	\$6.00
Youth (12-16)	\$2.00	\$3.00
Child (5-12)	Free	\$1.00
Senior (65+)	\$2.00	\$3.00
Group Rate (Child)	Free	.50

3. Other new major revenue measures, which are not included in the Mayor's recommended 1990-91 budget, but which are being considered by the Board of Supervisors, are as follows:

Use of Proposition 99 (Tobacco Tax) monies for new health services in lieu of paying for existing services, as has been recommended in the Mayor's 1990-91 budget (Item 27, File 221-90-2 of this report). Approval of this proposal would require a reduction in other expenditures or an increase in other taxes or fees of \$12 million.

(\$12 million)

Imposition of Business Tax Vehicle Registration Identification Tags for all commercial vehicles instead of requiring such Identification tags for the vehicles of just roofing and reroofing contractors (Item 32, File 127-90-3 of this report). Although the Tax Collector could not provide revenue estimates, the Budget Analyst conservatively estimates that if approximately 25 percent of DMV's commercial vehicles that are registered in San Francisco are subject to the proposed ordinance, based on a fee of \$30 per tag, it would generate approximately \$517,860 annually.

\$0.5 million

Revenue Measure

Budget Analyst's  
Estimated Increases  
in Annual Revenues

Increase in the Real Property Transfer Tax Rate from \$2.50 for each \$500 of consideration or value to \$5.50 for each \$500 of consideration or value, representing a 120 percent rate increase and a corresponding deletion of the existing exemption for assumed indebtedness, representing a total estimated increase in the tax of 175 percent (Item 33, File 127-90-4 of this report).

\$36.75 million

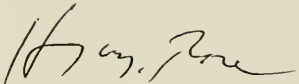
Imposition of a \$50 annual Business Tax Registration Fee as compared to the present \$200 annual fee. No credit of the \$50 fee against payroll/gross receipts taxes would be given (Item 31, File 127-90-2 of this report).

\$2.0 million to  
\$2.25 million

4. The Mayor's recommended 1990-91 budget does not include any revenues from the new Boot Immobilization Program which was approved by the Board of Supervisors. The Budget Analyst previously estimated that the revenues to be generated from this program, including increased compliance resulting in a higher collection rate of parking citations and fines from the Boot Immobilization Program, would generate \$5,272,113 annually net of the costs of the boots, three new employees and related expenses (see attached Budget Analyst report which also covered an amnesty program not approved by the Board of Supervisors). The Mayor's Office has advised the Budget Analyst that the Boot Immobilization Program will be implemented subsequent to submission by the Mayor to the Board of Supervisors of a supplemental appropriation request. If the Boot Immobilization Program were able to begin on October 1, 1990, the Budget Analyst estimates net additional revenue from this program of \$3.9 million would be

Memo to Finance Committee  
June 6, 1990

generated for the balance of fiscal year 1990-91.



Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Memo to Human Services Committee  
October 12, 1989 Human Services Committee Meeting

Item 5 - File 241-89-3

Department: Municipal Court  
Police Department

Item: Resolution memorializing the Municipal Court to implement a 30-day Amnesty Program for unpaid parking citations and urging the Mayor to urge the Police Commission to direct the Police Department to implement a Boot Immobilization Program on cars after the amnesty period expires.

Description: The proposed resolution would memorialize the Municipal Court to conduct a thirty-day Amnesty Program to forego the penalties on outstanding parking citations by reducing the amount due to the original fine plus an administrative fee.

The proposed resolution would urge the Police Commission to urge the Police Department to implement a Boot Immobilization Program affecting vehicles, outside of tow away zones, to begin immediately after the Amnesty Program expires. Vehicles with five or more outstanding parking tickets would be subject to the proposed Boot Immobilization Program. Vehicles immobilized by the boot would be subject to towing and additional penalties if not claimed after three days.

The proposed implementation of the Boot Immobilization Program would not replace any current tow programs. Rather, the proposed Boot Program would immobilize vehicles onstreet and thereby help ease storage problems of towed cars at municipal lots.

Analysis: Enactment of the proposed resolution, if implemented by the Municipal Court and the Police Department, would 1) increase net revenues resulting from a 30-day Amnesty Program 2) increase compliance and, therefore, revenues from the implementation of a Boot Program and 3) increase net revenues for the Boot Immobilization Program itself.

Amnesty Program: In 1984, the Municipal Court conducted an Amnesty Program for delinquent parking tickets. Compliance with the program was completely at the discretion of the individual. In order to minimize the cost of administering the 1984 Amnesty Program, persons were not allowed to protest individual amnesty citations. According to the report issued by the Clerk-Administrator of the Municipal Court, there was substantial media coverage of the program. The 1984 Amnesty Program revenues and costs were as follows:

BOARD OF SUPERVISORS  
BUDGET ANALYST



Memo to Human Services Committee  
October 12, 1989 Human Services Committee Meeting

Total Revenues	\$1,451,633
Costs	<u>37,798</u>
Net Revenues	\$1,413,835

The total \$1,451,633 revenue collected from the 1984 Amnesty Program represented 5.1 percent of the total \$28,376,923 in outstanding bail. The Municipal Court estimates an average bail of \$15 for non-delinquent and \$30 for delinquent tickets in 1984. This information can be broken down as follows:

	<u># of Tickets</u>	<u>Average Bail</u>	<u>Total Bail</u>
Non-Delinquent	614,131	\$15	\$ 9,211,965
Delinquent	<u>638,832</u>	\$30	<u>19,164,960</u>
	\$1,252,963		\$28,376,925

The Budget Analyst assumes that estimates for a 1989 Amnesty Program would achieve the same percentages as in 1984. The revenues could be higher given the increased incentive to avoid the booting penalty and the extent to which the program is promoted. Figures for the number of tickets and outstanding bail have been provided by the Municipal Court as of September 1, 1989. The average bail for delinquent tickets has also increased. Assuming 5.1 percent of the total \$41,277,033 outstanding bail would be collected, the Budget Analyst projects that approximately \$2,105,129 would be paid under the proposed 1989 Amnesty Program, as follows:

	<u># of Tickets</u>	<u>Average Bail</u>	<u>Total Bail</u>
Non-Delinquent	260,751	\$15	\$ 3,911,265
Delinquent	<u>1,132,296</u>	\$33	<u>37,365,768</u>
Total	1,393,047		\$41,277,033
			x <u>5.1%</u>
Estimated Amount To Be Paid on 1989 Amnesty Citations:			\$ 2,105,129

BOARD OF SUPERVISORS  
BUDGET ANALYST



Memo to Human Services Committee  
October 12, 1989 Human Services Committee Meeting

While the Municipal Court has not calculated what the costs would be to conduct the proposed amnesty program, it is not likely that the costs would increase dramatically over the costs in 1984. If the costs were to increase 50 percent from \$37,798 in 1984 to \$56,697 and an advertising and promotion budget of \$5,000 is added, the total costs would be \$61,697.

Based on the above projections of revenues and costs, the Budget Analyst estimates the net revenues from the proposed 1989 Amnesty Program would be as follows:

Estimated Total Revenues	\$2,105,129
Estimated Costs	<u>61,697</u>
Estimated Net Revenues	\$2,043,432

Increased Compliance: It is likely that the imposition of a Boot Program would also result in a higher collection rate of parking citations. According to an article in the Los Angeles Times, the collection rate in Los Angeles after the initiation of their boot program increased from 50 to 85 percent.

Mr. Gordon Park Li of the Municipal Court estimated that the City's collection rate for parking citations was 74 percent for Fiscal Year 1988-89. Since the Police Department does not anticipate a Boot Program as extensive as the one in Los Angeles, an 80 percent collection rate could be a feasible goal. Possible revenues to the City using 1988-89 figures are calculated as follows:

Total Parking Citations(1988-89)	\$54,054,054	(100%)
Actual Revenues Collected (1988-89)	40,000,000	(74%)
Potential Revenues with Boot Program	<u>43,243,243</u>	(80%)

Estimated Annual Increase in Revenues      \$3,243,243

If the Boot Program were implemented, even a small increase in the collection rate would lead to substantial revenue gains by the City. For example, each one percent gain in the City's collection rate (e.g. 74 percent to 75 percent) would result in \$540,540 of additional revenue. According to Mr. Park Li, there would be no increased labor costs from a higher compliance rate unless substantially more people appealed their tickets.

Memo to Human Services Committee  
October 12, 1989 Human Services Committee Meeting

Boot Immobilization Program: According to Sergeant Pardella of the Police Department, the Department has began to consider but has not made any final decisions on the scope of a Boot Immobilization Program. Decisions need to be made on whether the program would be administered by the City's outside towing contractor, City Tow, or by the Police Department. The charge to remove the boot and the number of boots to be purchased must also be decided.

Estimated annual revenues and costs for the Boot Immobilization Program are as follows:

Estimated Revenues

7,800 boots/year x estimated 75 percent recovery rate x \$380 average fine	<u>\$2,223,000</u>
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Estimated Costs (Based on discussions  
with Police and Purchasing Departments)

100 boots @ \$450 each (one-time costs)	\$45,000
---	----------

3 Employees @ \$35,510 (including salary and fringe benefits)	106,530
--	---------

3 Vans @ \$14,200 (one-time costs)	<u>42,600</u>
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Total Estimated Costs	<u>194,130</u>
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<u>Estimated Net Revenues</u>	<u>\$2,028,870</u>
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Summary of Estimated Revenues and Estimated Costs

	<u>Estimated Revenues</u>	<u>Estimated Costs</u>	<u>Estimated Net Revenues</u>
30-Day Amnesty Program	\$2,105,129	\$61,697	\$2,043,432
Increased Compliance*	3,243,243	0	3,243,243
Annual Boot Immobilization Program	<u>2,223,000</u>	<u>194,130</u>	<u>2,028,870</u>
Totals	<u>\$7,571,372</u>	<u>\$255,827</u>	<u>\$7,315,545</u>

\*Estimated annual increased revenues from imposition of Boot Program.

BOARD OF SUPERVISORS  
BUDGET ANALYST

Memo to Human Services Committee  
October 12, 1989 Human Services Committee Meeting

**Comment:** The estimates for revenues and costs for an 1989 Amnesty Program are based on the experience of the Amnesty Program in 1984. The estimates for revenues and costs of the Boot Immobilization Program and revenues from increased compliance are projections which could vary substantially. The above estimates indicate, however, that revenue from an Amnesty and Boot Immobilization Program would be significantly greater than the costs.

**Recommendation:** Implementation of Amnesty and Boot Immobilization Programs are policy matters for the Board of Supervisors.

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**CALENDAR - [ACTIONS TAKEN]**  
**BUDGET SESSIONS**  
**FINANCE COMMITTEE**

**Board of Supervisors**  
**City and County of San Francisco**

**WEDNESDAY, JUNE 6, 1990 - 1:30 P.M.**

**ROOM 228, CITY HALL**

**MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN**

**CLERK: PATRICIA J. ENG**

1. **Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1990-91. (Mayor)**

**1:30 - 4:00 P.M.**

**Regular Finance Committee**

**5:00 - 7:00 P.M.**

**Prepared and pre-scheduled testimony from individuals and groups**

**7:00 - 7:30 P.M.**

**Public Comment**

**ACTION: PREPARED AND PRE-SCHEDULED TESTIMONY RECEIVED.  
HEARING HELD.**

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~~///~~ **CALENDAR** - [ACTIONS TAKEN]  
**BUDGET SESSIONS**  
~~///~~ **FINANCE COMMITTEE**

~~///~~ **Board of Supervisors**  
**City and County of San Francisco**

**THURSDAY, JUNE 7, 1990 - 1:30 P.M. ROOM 228, CITY HALL**

**MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN**

**CLERK: PATRICIA J. ENG**

1. **Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1990-91. (Mayor)**

**1:30 - 4:00 P.M.**

**Prepared and pre-scheduled testimony from individuals and groups**

**4:30 - 6:00 P.M.**

**Committee work-session on testimony; consensus seeking on priorities and policy; review pre-hearing information presented in advance by City departments, agencies, etc.**

**6:00 - 6:30 P.M.**

**Public Comment.**

**ACTION: PREPARED AND PRE-SCHEDULED TESTIMONY RECEIVED.  
HEARING HELD.**

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CALENDAR - [ACTIONS TAKEN]  
BUDGET SESSIONS  
FINANCE COMMITTEE

Board of Supervisors  
City and County of San Francisco

TUESDAY, JUNE 12, 1990 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

CLERK: PATRICIA J. ENG

1. File 100-90-1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1990-91. (Mayor)

1:30 P.M.

COMMITTEE REVIEW

4:30 P.M.

PUBLIC COMMENT

ACTION: HEARING HELD.

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PLEASE NOTE: CHANGE IN MEETING TIME

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CALENDAR - [ACTIONS TAKEN]  
MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, JUNE 13, 1990 - 1:30 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 170-90-9. [Redevelopment Agency Bonds] Resolution approving the issuance by the Redevelopment Agency of the City and County of San Francisco of its Yerba Buena Center Redevelopment Project Liquidity Facility Revenue Refunding Bonds, Series 1990 in an aggregate principal amount not to exceed \$16,785,000. (Redevelopment Agency)

ACTION: RECOMMENDED.

2. File 101-89-145. [Government Funding] Ordinance appropriating \$938,167, Police Department, for facilities maintenance project (pistol range renovation). RO #9298 (Controller)

(Continued from 6/6/90.)

ACTION: RECOMMENDED.

3. File 101-89-157. [Government Funding] Ordinance appropriating \$4,220,846, Police Department, for capital improvement project (Police Facilities Improvements) for fiscal year 1989-90. RO #9314 (Supervisor Walker)

ACTION: RECOMMENDED.

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JUN 14 1990

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4. File 97-90-28. [General Assistance - Income Disregard] Ordinance amending the San Francisco Administrative Code, General Assistance Program, by amending Section 20.57 to permit the General Manager of the San Francisco Department of Social Services to Institute an income disregard program when determining eligibility and grant amounts of general assistance clients who have wage earnings as defined herein. (Supervisor Walker)

ACTION: AMENDMENT OF THE WHOLE ADOPTED AND FURTHER AMENDED TO PROVIDE FOR A SIX MONTH REVIEW. NEW TITLE: "[General Assistance - Income Disregard] ORDINANCE AMENDING THE SAN FRANCISCO ADMINISTRATIVE CODE, GENERAL ASSISTANCE PROGRAM, BY AMENDING SECTION 20.57 TO PERMIT THE GENERAL MANAGER OF THE SAN FRANCISCO DEPARTMENT OF SOCIAL SERVICES TO INSTITUTE AN INCOME DISREGARD PROGRAM WHEN DETERMINING ELIGIBILITY AND GRANT AMOUNTS OF GENERAL ASSISTANCE CLIENTS WHO HAVE WAGE EARNINGS AS DEFINED HEREIN; PROVIDING FOR SIX MONTH REVIEW." RECOMMENDED AS AMENDED.

5. File 97-90-30. [Residential Rent Stabilization and Arbitration Fee] Ordinance amending Administrative Code by amending Sections 37A.1, 37A.6, 37A.8, 37A.12 and 49.2 to exempt certain owner-occupied dwelling units and certain owner-occupied buildings according to proof, to establish two separate methods for a landlord's recovery of the fee from a tenant, one of which is a direct deduction from a tenant's security deposit, to decrease the non-payment delinquency period from 90 to 60 days, to expand the penalty and interest period, and to delete the termination clause. (Supervisor Walker presented on behalf of the Mayor.)

ACTION: CONTINUED TO 6/20/90.)

6. File 127-90-5. [Business/Payroll Expense Tax Changes] Ordinance amending Chapter 12B of Part III of the Municipal Code (Business Tax Ordinance) by amending Section 1007 to reduce the annual business tax registration fee from \$200 to \$150 and to eliminate the credit against business or payroll expense taxes for business tax registration fees paid; and providing for continuation of the business tax rate increase provided by Ordinance 358-88 and payroll expense tax increase provided by Ordinance 357-88; and repealing Ordinances 251-89 and 250-89; and repealing portions of Ordinances 358-88 and 357-88; operative date (Supervisor Walker presented on behalf of the Mayor.)

ACTION: AMENDMENT OF THE WHOLE ADOPTED. NEW TITLE: "[Business/Payroll Expense Tax Changes] ORDINANCE AMENDING ARTICLE 12-B OF PART III OF THE SAN FRANCISCO MUNICIPAL CODE (BUSINESS TAX ORDINANCE) BY AMENDING SECTION 1007 THEREOF TO REDUCE THE ANNUAL BUSINESS TAX REGISTRATION FEE FROM \$200 TO \$150 AND TO ELIMINATE THE CREDIT AGAINST BUSINESS OR PAYROLL EXPENSE TAXES FOR BUSINESS TAX REGISTRATION FEES PAID, AND BY ADDING SECTION 1004.17 THERETO TO CODIFY THE REVERSION OF TAX RATES TO THE PRE-JULY, 1988 LEVELS; AND AMENDING ARTICLE 12-A OF PART III OF SAN FRANCISCO MUNICIPAL CODE (PAYROLL EXPENSE TAX ORDINANCE) BY ADDING SECTION 903.1 THERETO TO CODIFY REVERSION OF TAX RATES TO THE PRE-JULY 1, 1988 LEVELS; OPERATIVE DATE." CONTINUED TO 6/20/90 WITH PENDING AMENDMENT.



7. File 127-90-6. [Parking Tax Surcharge] Ordinance increasing the parking tax surcharge from 5% to 10% effective July 1, 1990; amending Part III, Article 9 of the Municipal Code by repealing Section 602.5-1; effective date. (Supervisor Walker presented on behalf of the Mayor)

ACTION: CONTINUED TO 6/20/90.

8. File 64-90-20. [Lease of Property] Resolution authorizing a new lease of real property at 44 Gough Street for the Civil Service Commission. (Real Estate Department)

ACTION: RECOMMENDED.





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CITY AND COUNTY



OF SAN FRANCISCO

**BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415)554-7642

June 13, 1990

**TO:** Finance Committee  
**FROM:** Budget Analyst  
**SUBJECT:** June 13, 1990 Finance Committee Meeting

**DOCUMENTS DEPT.**

JUN 14 1990

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Item 1 - File 170-90-9

**Department:** San Francisco Redevelopment Agency (SFRA)

**Item:** Resolution to approve the issuance by the San Francisco Redevelopment Agency of its Yerba Buena Center Redevelopment Project Liquidity Facility Revenue Refunding Bonds, Series 1990.

**Amount:** Not to exceed \$16,785,000

**Source of Funds:** Sale of properties in the Yerba Buena Center Redevelopment Project area. Tax increment has also been pledged as a secondary source of security for the bonds.

**Description:** In 1983 the San Francisco Redevelopment Agency (SFRA) issued approximately \$29 million of Liquidity Facility Revenue bonds for the purpose of acquiring the parcel presently occupied by the Marriott Hotel. This borrowing was secured by a letter of credit, but underlying security for this letter of credit was the sale of six properties acquired and owned by the SFRA in the Yerba Buena Center (YBC) Redevelopment Project area with an estimated value of over \$43 million. Several of these properties have already been sold, thereby reducing the principal of these interest only bonds to approximately \$17 million from the original \$29 million.

The principal property securing the remainder of the debt is the East Block 1 parcel (see attached map) currently under a Land Disposition Agreement (LDA) with Griffin/Related Properties. However, since that parcel is not expected to be finally sold to Griffin/Related Properties per the requirements of the LDA until August of 1991, and the existing bonds expire at the end of June of 1990, it is necessary to undertake the proposed refinancing.

The interest rate on the current bonds is 6 percent. At the present time the SFRA estimates that the interest rate for the proposed bonds would average about 5 3/4 percent based on the fluctuation of the bond market over the past 2 to 3 years.

**Comments:**

1. Mr. Robert Gamble of the SFRA advises that the Internal Revenue Service has verbally held (to be confirmed shortly in writing) that the refinancing of these bonds will be tax-exempt for a period of three years. Mr. Gamble also advises that if the current LPA with Griffin is terminated without completing the land sale for East Block 1 parcel and if the SFRA cannot then market the parcel in that period of time to another developer, it would be necessary to extend the debt further, but on a taxable basis, which would be substantially more expensive.

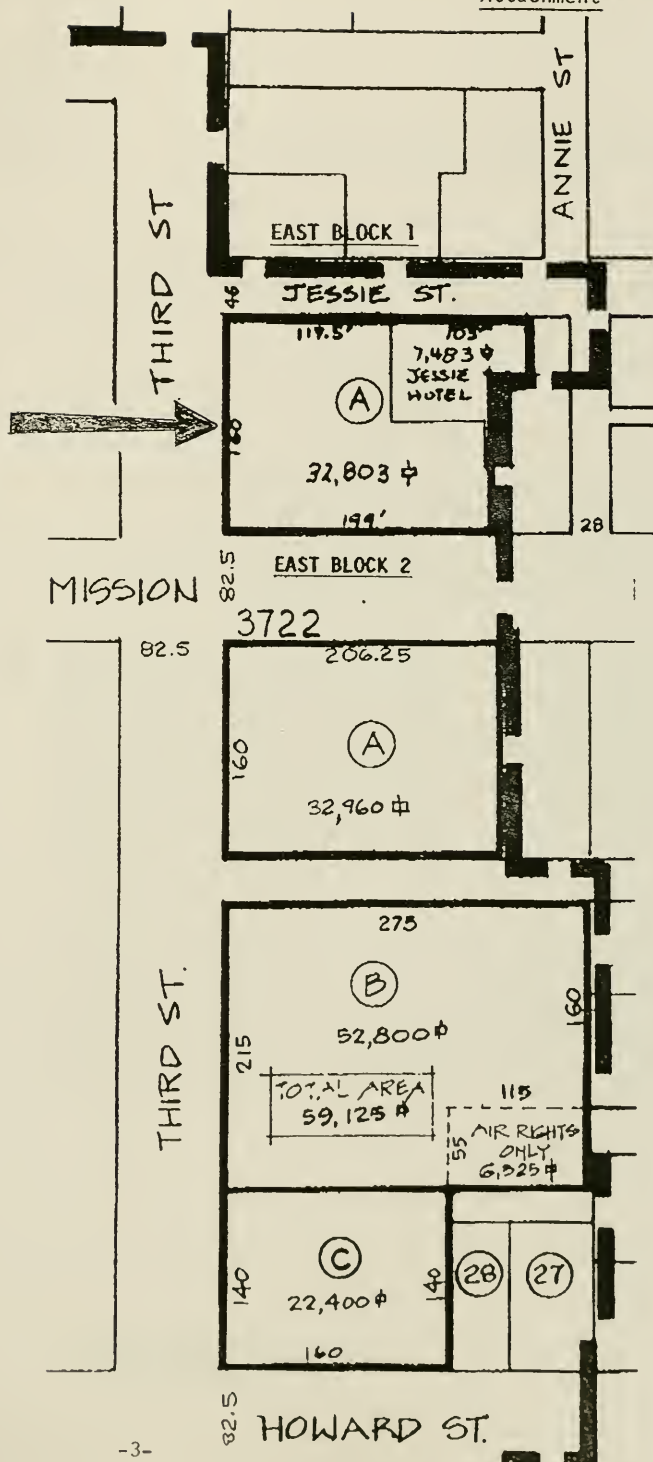
2. Mr. Gamble anticipates that the new bonds will be sold at interest only and will be supported by a letter of credit. The SFRA is currently in the process of soliciting interest in such a letter of credit and initial responses indicate that a letter of credit can be secured. However, in order to obtain the letter of credit, the SFRA will have to pay a fee which cannot be reimbursed from the bond proceeds. Mr. Gamble advises that there is a proposed agreement with Fuji Bank for a Letter of Credit with a fee of approximately \$20,000. The SFRA will seek the authority from their Commission to expend SFRA funds for this fee.

3. Mr. Gamble also advises that if a letter of credit cannot be obtained at reasonable terms, it will be necessary to consider the sale of unrated bonds. This alternative would not be desirable because such bonds would require a higher interest rate.

4. At this time Mr. Gamble advises that the sale of East Block 1 to Griffin/Related Properties, estimated to be \$18 million, will be sufficient to retire the subject refunded bonds.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Items 2 and 3 - Files 101-89-145 and 101-89-157

**Note:** Item 2, File 101-89-145 was continued at the June 6, 1990 Finance Committee in order to hear the proposed two items at the same time.

**Department:** Police Department

**Proposed Action:** Supplemental Appropriations for reconstruction and the cost of mitigation measures for the Police Pistol Range and improvements to Richmond and Ingleside District Police Stations

<b>Amount:</b>	File 101-89-145	\$ 938,167
	File 101-89-157	<u>4,220,846</u>
	Total	\$ 5,159,013

**Source of Funds:** File 101-89-145 Interest-Earned-Pooled Cash; 1987 Police Facilities Improvement Bond Funds.

File 101-89-157 Unappropriated balance; 1987 Police Facilities Improvement Bond Funds.

**Description:** In November, 1987, the voters authorized a \$28 million bond issue to fund renovation and improvement of Police Department facilities. An initial sale of \$11 million was held in July, 1988. These two proposed ordinances would appropriate funds to three projects: an expansion of work to be performed at the Police pistol range; expanded renovation of the Ingleside District Police Station and; renovation of the Richmond District Police Station. The three projects are described below.

1. Police Pistol Range

Mr. Mark Primeau, Project Manager from the Department of Public Works (DPW), who is overseeing the Police Facilities Improvement Project, states that, as originally planned, approximately \$600,000 of those bond funds were allocated for painting and maintenance of the Police Pistol Range, without any major improvements to the facility.

Thereafter, DPW's Bureau of Architecture, in association with the Police Department's Planning and Research Division, undertook an investigation of other pistol range facilities, including the California Highway Patrol range in Sacramento, and the Orange County Sheriff's Department range in Southern California. Mr. Primeau states that it was at this point that the Police Department, as well as DPW, realized that there were significant safety considerations that required attention. Both Mr. Primeau, and Lt. Suttmeier of the Police Department state that it was discovered that bullet trajectories of errant bullets could reach adjacent areas, including potentially, the grounds of Lowell High School. As a result, a system of overhead steel ballistic baffles, as used in other more modern facilities, was devised to deflect bullets and prevent this problem.

In addition, Lt. Suttmeier states that the years long presence of lead bullets on the grounds created a lead contamination problem which required both toxic cleanup and construction of mitigation measures, including a bullet trap to collect discharged rounds, and concrete capping of the shooting range to avoid future contamination.

Finally, the administration center at the pistol range, which was originally scheduled for maintenance and repair, was found to suffer from subsidence. As a result, it was demolished, and a new facility is being constructed. First planned as an 8,000 square foot facility, the center has been scaled back to approximately 5,000 to 6,000 square feet in order to reduce costs.

The total estimated cost of the pistol range project now stands at \$3.2 million for construction, construction management, design, administration, construction contingencies, and other costs related to the project.

## 2. Richmond Station Project

Richmond Station is located on 6th Avenue, south of Geary Street. The station was constructed in 1910. It is a one-story main building and a two-story rear building that was formerly a horse stable. According to the Bureau of Architecture and SFPD Planning Division's revised plan, the Richmond Station project will consist of :

- Renovation and remodeling of the main building; renovation of the rear building to accommodate locker room and shower facilities and office space.
- Seismic upgrading; new administration and office space, community area, detention area and armory.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



- New air conditioning, mechanical, plumbing, electrical, fire prevention and security systems; new parking areas.

The full cost of the Richmond renovation is \$2.6 million. This amount is unchanged from the original bond fund budget amount.

### 3. Ingleside Station Project

The Ingleside Station Project originally envisioned the expenditure of \$700,000 for roof replacement, termite repairs of structural and non-structural framing members, replacement of deteriorated light fixtures and miscellaneous renovation.

The revised scope now also includes the following :

- Asbestos removal.
- Renovation to accommodate locker facilities.
- Community room for neighborhood meetings.
- Upgraded holding cells to mitigate suicide risk.
- Upgraded plumbing and air conditioning system.

4. The table below shows the revised budgets for the three capital projects which now total \$7.85 million. Funds already allocated amount to \$1.8 million, leaving a balance needed of \$6.05 million. These two supplemental appropriations would provide \$5,159,013, leaving a difference needed to support the projects of \$890,987. The SFPD has stated that this amount is available from unspent and unneeded funds that had previously been appropriated for the new Potrero Station project site acquisition phase. Originally, \$2.3 million had been appropriated for the Potrero Station site acquisition, real estate costs and geotechnical reports. The site selected at Williams Avenue and Newhall Street cost approximately \$900,000 less.

	<u>Police Pistol Range</u>	<u>Ingleside District Station</u>	<u>Richmond District Station</u>	<u>Total</u>
Ballistic Safety	\$1,128,100			\$1,128,100
Site Improvement/Demolition				
Landscape	201,000	\$120,000	\$165,000	486,000
Architectural Work	240,600	410,000	781,500	1,432,100
Structural Work	274,400	150,000	180,000	604,400
Mechanical, Plumbing, Electrical and Fire Protection Systems	<u>457,000</u>	<u>380,000</u>	<u>600,000</u>	<u>1,437,000</u>
Hard Construction	\$2,301,100	\$1,060,000	\$1,726,500	\$5,087,600

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

	<u>Police Pistol Range</u>	<u>Ingleside District Station</u>	<u>Richmond District Station</u>	<u>Total</u>
General O/H and Profit	345,200	160,000	172,000	677,200
Construction Contingency	<u>264,600</u>	<u>130,000</u>	<u>189,000</u>	<u>583,600</u>
Total Construction	<u>\$2,910,900</u>	<u>\$1,350,000</u>	<u>\$2,087,500</u>	<u>\$6,348,400</u>
Design, Bidding, Contract Adm.	<u>739,100</u>	<u>250,000</u>	<u>512,500</u>	<u>1,501,600</u>
Total Project Cost	<u>\$3,650,000</u>	<u>\$1,600,000</u>	<u>\$2,600,000</u>	<u>\$7,850,000</u>
Funds Available	<u>450,000</u>	<u>700,000</u>	<u>650,000</u>	<u>1,800,000</u>
Funds needed	<u>\$3,200,000</u>	<u>\$900,000</u>	<u>\$1,950,000</u>	<u>\$6,050,000</u>

**Comments:**

1. Because the Police Facilities Improvement Program is still ongoing, and the project scope for the Pistol Range, Richmond Station and Ingleside Station has expanded, costs have exceeded original estimates. Mr. Primeau states that he, along with a construction inspector and a project architect (both from DPW) oversee the progress of this project. They review all progress payments to make sure that all charges coincide with work completed to date. In addition, they review all modifications and change orders to ensure that this project's costs are kept within budget. Mr. Primeau states that, had the unforeseen safety mitigation measures for the Pistol Range not been required, the project would have been completed within budget. The expanded scope of the Ingleside Station project resulted from structural problems identified in the project planning phases and performance of initial repair work. All project management functions for the Police Facilities Improvement Program are now consolidated under Mr. Primeau of DPW and Lt. Suttmeier of the SFPD Planning Division.

2. These supplemental appropriation requests have been reviewed by the Capital Improvement Advisory Committee. A letter from the Chief Administrative Officer, as Chair of the CIAC, has been submitted to the Board of Supervisors. The CIAC recommends approval of the proposed supplemental appropriations and reports that the supplemental appropriations conform to the voter-approved 1987 Police Improvement Bond and the six-year capital expenditure plan.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

3. The table on the following page provides a recap of the Police Facilities Improvement Program. This table shows the original project appropriations and the revised budget. The revised capital project budgets were reported by the Bureau of Architecture in May, 1990.

**Revised Police Facilities Improvement Project**

	<u>Original Budget</u>	<u>Revised Budget</u>
Potrero Station	\$6,500,000	\$5,150,000
Pistol Range	600,000	3,650,000
Central Station	2,800,000	2,800,000
Richmond Station	2,600,000	2,600,000
Ingleside Station	700,000	1,600,000
Mission Station	7,800,000	7,800,000
Taraval Station	4,800,000	4,800,000
Juvenile Division	1,100,000	1,100,000
Park Station	600,000	600,000
Golden Gate Stables	<u>500,000</u>	<u>500,000</u>
<b>Totals</b>	<b>\$28,000,000</b>	<b>\$30,600,000</b>

Sufficient interest income, from the investment of unspent proceeds of the bond sales, is anticipated to overcome the difference between the projected total project cost of \$30.6 million and the bond authorization amount of \$28 million. To date, interest income earned from the first bond sale of \$11 million is approximately \$1.4 million. A second bond sale for a portion of the \$17 million remaining under the bond authorization is expected to be held in October or November, 1990.

**Recommendation:** Approve the proposed supplemental appropriations.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 4 - File 97-90-28

**Department:** Department of Social Services

**Proposed Action:** Ordinance amending the San Francisco Administrative Code, General Assistance Program, by amending Section 20.57 to permit the General Manager of the Department of Social Services to institute an Income Disregard Program when determining eligibility and grant amounts of General Assistance aid paid to clients who have wage earnings as defined herein.

**Description:** The proposed legislation would add Section (h) to the Administrative Code to permit the General Manager of DSS to establish an Income Disregard Program for the General Assistance Program for a two-year pilot period. The Income Disregard Program is designed to encourage General Assistance clients to find and hold gainful employment.

Currently, any income earned from wages by a potential General Assistance Client is subtracted from the maximum allowable monthly amount of General Assistance. For example, assuming no other income, an individual General Assistance recipient could receive \$341 per month. However, if the individual earned more than \$341 per month in wages, the individual would not receive any General Assistance from DSS.

The proposed legislation provides that DSS would disregard portions of the recipient's gross income from wages in determining General Assistance eligibility according to the following graduated scale:

	Amount of Income <u>To Be Disregarded</u>
First \$100 of income or fraction thereof	100%
Second \$100 of income or fraction thereof	2/3
Third \$100 of income or fraction thereof	1/2
Fourth \$100 of income or fraction thereof	1/3
Fifth \$100 of income or fraction thereof	1/5
Over \$500	0

Under the proposed scale, an individual would continue to receive General Assistance aid at gradually decreasing amounts as the person earned more income from employment. In the example above an individual earning more than \$341 per month in wages would normally be ineligible for General Assistance, but under the proposed program would be eligible to receive a reduced amount of General Assistance. An individual could earn a combined income of up to \$611 consisting of wages and General Assistance under the Income Disregard Program.

Under the proposed legislation, DSS would evaluate the program over the two year period to assess its effectiveness in providing an incentive for G.A. recipients to find stable employment. DSS would also continue to offset on a dollar-for-dollar basis all other income (other than income earned from wages) in calculating the monthly General Assistance grant amount.

**Comments:**

- 1) The proposed program would increase General Assistance costs to the extent that clients, who would normally be ineligible for General Assistance under the current eligibility guidelines, would now be eligible to receive lower General Assistance benefits. DSS estimates that in the first year of the pilot program, the Income Disregard program would cost an additional \$249,600, and would cost a total of \$773,400 for the entire two-year period. DSS further advises that the Department would need four months of preparation time to fully implement the program, and therefore the Fiscal Year 1990-91 costs would cover eight months at an estimated cost of \$166,400. All program costs would be General Assistance aid payment costs.
- 2) Since the purpose of the proposed Income Disregard Program is to encourage General Assistance clients to pursue and hold gainful employment, Mr. Raymond Colmenar of DSS advises that the Income Disregard Program would ultimately result in an undetermined level of cost savings due to lower G.A. aid payments to clients who are working and to avoid G.A. aid payments to clients who find stable long-term employment.
- 3) The Department anticipates that the estimated cost of the Program can be absorbed into the current proposed 1990-91 budget appropriation for General Assistance. However, if General Assistance expenditures are higher than expected, DSS may be requesting a supplemental appropriation later in the fiscal year.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Memo to Finance Committee  
June 13, 1990

**Recommendation:** Approval of the proposed ordinance, which would institute a two-year pilot Income Disregard Program for General Assistance, is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS  
BUDGET ANALYST





Item 5 - File 97-90-30

The proposed ordinance would amend the San Francisco Administrative Code by amending Sections 37A.1, 37A.6, 37A.8, 37A.12 and 49.2 to exempt certain owner-occupied dwelling units and buildings, to establish two methods for a landlord to recover the annual Rent Board fee from tenants, to decrease the non-payment delinquency period from 90 days to 60 days, to expand the penalty and interest period and to delete the termination clause. The current Rent Board fee ordinance is scheduled to expire on June 30, 1990. The current Rent Board's annual fee is \$8 per unit. Under the proposed ordinance, the current \$8 annual fee would continue to be imposed.

In 1989, the Board of Supervisors approved the creation of a Residential Rent Stabilization and Arbitration Fee and the elimination of the Rent Board's filing fees (File 97-89-25). This fee is based on the projected annual cost of funding the Rent Board plus related administrative costs, which would include, but not be limited to the City's Tax Collector and Assessor costs for related activities. The total projected annual cost is then divided by the total number of residential rental units estimated to pay the fee, based on the definition of residential units, as defined in Sections 203.4 and 203.7 of the San Francisco Housing Code. Under the current ordinance, residential units would not include the following: owner occupied units, owner occupied buildings containing four units or less, guest rooms, dwelling units in non-profit cooperatives, hospitals, convents or extended care facilities, non-profit homes for the aged or educational institutions.

Under the proposed ordinance, residential units would also not include:

- (1) any dwelling unit which is occupied by an owner of record on either a full-time or part-time basis and which is not rented at any time, provided that the owner files such an affidavit with the Tax Collector; and
- (2) an owner-occupied building containing four units or less wherein the owner files an affidavit with the Tax Collector stating that the owner resided in the building for a minimum of six months prior to November 1.

The proposed ordinance would then not apply to these exempt dwelling units.

The proposed ordinance would also establish two separate methods for a landlord to use to recover the annual Rent Board fee from tenants. Under the existing ordinance, the owner may recover the fee from the tenants by submitting a copy of the Tax Collector's bill to the tenant with a written request for payment within 60 days of the request. If the tenant fails to remit the requested amount, the owner may deduct the fee from the next interest payment owed by the landlord to the tenant on the tenant's security deposit. The proposed ordinance would permit the landlord to either:

- (1) deduct the fee from the next interest payment owed on the tenant's security deposit, by providing written notice of the deduction and purpose at the time the interest payment is due; or
- (2) bill the tenant directly for the fee, stating the amount for each unit, that the purpose is to fund the Rent Board and related administrative costs and that the fee is due and payable within 30 days of the date of the bill.

Chapter 49 of the Administrative Code specifies that a landlord must pay at least five percent simple interest per year on all security deposits held for at least one year for tenants. Therefore, under the proposed ordinance, the landlord could deduct the annual fee from the amount owed.

Under both the existing and proposed ordinance, the owner is liable for payment of the fee to the Tax Collector whether or not the owner recovers the fee amount from the tenant. The owner may seek recovery of the fee from the tenant of each residential unit who occupies the unit on November 1. However, the fees are due from the owner by October 1.

If the full payment is not received by the Tax Collector's Office, the proposed ordinance would decrease the delinquent bill provisions by 30 days, from the current 90 days to 60 days. After the account is considered delinquent, the Tax Collector would then send an additional request for payment, advising the recipient that if the payment is not received within another 30 days, a 25 percent penalty will be added, plus an interest charge of 1.5 percent monthly. After these notices of fees and penalties, the Board of Supervisors, in a noticed public hearing, can then add a \$49 charge for the Tax Collector and record a lien for the entire unpaid balance, including penalties and interest against the owner's real property. Under the current provisions, only the Board of Supervisors, in a noticed public hearing could add the 25 percent penalty, the 1.5 percent monthly interest charge and the \$49 Tax Collector charge to record the lien.

### **Comments**

1. The proposed ordinance establishes two separate methods for the landlord to collect the annual fee from the tenant. However, the proposed ordinance does not permit the landlord to use both methods, if one method is not successful, such as in the current legislation. For example, if the landlord bills the tenant directly for the fee and the tenant does not remit the fee to the landlord, under the current provisions, the landlord can then deduct the amount from the tenant's interest payment on the security deposit. However, under the proposed ordinance, if the tenant does not remit the fee when billed, the landlord does not have any recourse other than to take the tenant to small claims court to recover the amount billed.

2. The Mayor's recommended 1990-91 budget assumes that the Board of Supervisors will impose the same \$8 per residential unit annual fee that presently exists but is set to expire as of July 1, 1990, and includes revenues of \$1.2 million from this revenue source. The Mayor's 1990-91 budget for the Rent Board includes expenditures of \$1,292,323. In addition, the 1990-91 budget includes \$174,589 in

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

administration expenses for the Tax Collector's Office to bill and recover the proposed continuation of the \$8 annual per unit fee.

3. According to Ms. Anita Jin of the Tax Collector's Office, between October 4, 1989 and June 7, 1990, the Tax Collector's Office collected a total of \$1,269,540 from the current \$8 per unit Rent Board fee. Ms. Jin reports that there are still approximately 5,500 delinquent bills. Based on the average bill amount of \$24 (3 units @ \$8 per unit), assuming a conservative total of an additional 25 percent for interest and penalties for each bill, the Budget Analyst projects an additional \$165,000 of revenues would be collected. Together with the \$1,269,540 of revenues already collected, the Budget Analyst estimates that a total of \$1,434,540 would be collected. This assumes that liens will not be required on the existing delinquent bills and the Tax Collector would therefore not collect the additional \$49 charge to record a lien on each property.

### **Recommendation**

The proposed ordinance to impose the Residential Rent Stabilization and Arbitration Fee at the current annual rate of \$8 per unit, which is scheduled to expire as of July 1, 1990, and to amend some of its provisions is a policy matter for the Board of Supervisors. However, it should be noted that the Mayor's recommended 1990-91 budget assumes that the Board of Supervisors will approve this fee in 1990-91 at the same rate charged in 1988-89, to offset the costs of the Rent Board.



Item 6 - File 127-90-5

The proposed ordinance would amend Part III, Chapter 12B, Section 1007 of the San Francisco Municipal Code to impose an annual Business Tax Registration Fee of \$150, a decrease of \$50 annually or 25 percent from the current annual fee of \$200. The current annual fee of \$200 is scheduled to expire effective July 1, 1990.

The proposed ordinance would also delete Section 1007(d), which permits taxpayers to apply the current \$200 annual registration fee as a credit against the gross receipt/payroll taxes owed for the year. In addition, the proposed ordinance would provide for the business (gross receipts) tax rates and the payroll expense tax rate at the 1.5 percent payroll tax rate level and the related gross receipts tax rate levels rather than the current 1.6 percent payroll tax rate level and the related gross receipts tax rate levels, as provided for in Ordinance Nos. 358-88 and 357-88, respectively. Also the proposed ordinance would repeal portions of these ordinances concerning effective dates, and repeal Ordinances 251-89 and 250-89. Under the proposed ordinance, the changes in fees and taxes would become effective on July 1, 1990.

In July, 1988, the Board of Supervisors approved amendments to the City's Municipal Code (File 127-88-1) to require annual renewal of Business Tax Registration Certificates and the annual payment of a \$200 Business Registration Fee. These provisions apply to all businesses operating in the City and County of San Francisco and to all contractors and vendors providing goods or services to the City. In December, 1988, the Board of Supervisors amended the Municipal Code (File 127-88-1.2) to exempt "small businesses" with annual gross receipts of \$15,000 or less from the \$200 Business Registration Fee.

In November of 1988, the Board of Supervisors appropriated (File 101-88-30) a total of \$859,748 to the Treasurer-Tax Collector for a Business Registration Fee Unit and amended the Annual Salary Ordinance (File 102-88-11) for the creation of 13 positions and for computer equipment costs and other operational-related costs associated with establishing a unit to process, enforce and collect the \$200 annual renewals of Business Tax Registration Certificates and the \$200 Business Tax Registration Fee. The Business Registration Fee Unit was also created to identify businesses located outside of San Francisco that do business in San Francisco and which would be subject to the Business Registration Fee. The Unit has also attempted to identify businesses that are not paying other taxes that are due to the City.



Comments

1. According to Mr. Richard Sullivan of the Tax Collector's Office, the annual \$200 Business Registration Fee is projected to generate \$8 to \$9 million in fiscal year 1989-90.

2. The City's payroll tax rate is currently 1.6 percent and the gross receipts tax rates are at related levels. The proposed ordinance would officially repeal Section 3 of Ordinance 358-88 and Ordinance 251-89 regarding the City's gross receipts tax rates and Section 3 of Ordinance 357-88 and Ordinance 250-89 regarding the City's payroll expense tax rate, concerning the tax increases imposed on July 1, 1988 and then continued from July 1, 1989 through June 30, 1990. Although approving the proposed ordinance would officially repeal the current 1.6 percent payroll tax rate and the related gross receipts tax rates and revert these tax rates back to the 1.5 percent and related levels effective July 1, 1990, the language in these prior ordinances requires that these tax increases be repealed on July 1, 1990, without any separate action.

3. As proposed, for 1990-91, the payroll/gross receipts tax rates would be reduced to the 1.5 percent level. However, businesses can presently deduct the current \$200 annual Business Tax Registration Fee from the amount of payroll/gross receipts taxes owed for the year. While, the Mayor's proposed budget for 1990-91 contains the previously scheduled reduction in the payroll/gross receipts tax rates from the 1.6 percent to the 1.5 percent rate and related rate levels, the proposed ordinance would no longer permit businesses, which currently pay the payroll/gross receipts taxes, to be allowed a credit (against the amount of the payroll/gross receipts taxes owed to the City) of the proposed annual \$150 Parking Tax Registration Fee. Based on these proposals, the Mayor's recommended budget includes \$7.4 million of revenues for 1990-91.

4. Another proposed ordinance (File 127-90-2) is currently being considered by the Finance Committee of the Board of Supervisors, which would impose a \$50 annual Business Registration Fee for fiscal year 1990-91, rather than the Mayor's proposed \$150 annual fee, which is the subject of this item. The proposed \$50 annual Business Registration Fee ordinance would provide a credit to businesses that pay gross receipt/payroll taxes, similar to the current ordinance's provisions. Based on the current annual revenue collection of approximately \$8 to \$9 million for the \$200 Business Registration Fee, it is reasonable to assume that a reduction of the annual fee to \$50 would result in \$2 million to \$2.25 million of annual revenue to the City, or about one-fourth of the current revenues.

5. A comparison of the existing ordinance, the proposed \$150 annual Business Tax Registration Fee ordinance (File 127-90-5) and the proposed \$50 annual Business Tax Registration Fee ordinance that is pending before the Finance Committee (File 127-90-2), including the amount of revenues to be generated by each, are as follows:

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	<u>Annual Registration Fee</u>	<u>Projected Revenues</u>
Current Ordinance	\$200	\$8 to \$9 million
Proposed Ordinance* (This item)	\$150	\$7.4 million
Proposed Ordinance ** (File 127-90-2)	\$50	\$2 to \$2.25 million

\* Includes provision that businesses that currently pay the payroll/gross receipts taxes will also pay the proposed \$150 annual Business Tax Registration Fee, without receiving a credit for the payments of that annual fee.

\*\* Credit against payroll/gross receipts taxes would be provided under the proposed ordinance.

6. According to Mr. Sullivan, if an annual Business Tax Registration Fee of \$150 is imposed and no credit is given to businesses which pay the payroll/gross receipts taxes, he estimates a total of \$7.2 million to \$7.5 million would be generated in 1990-91. Mr. Sullivan reports that the same level of staffing and work will be required of the Tax Collector's Office regardless of whether the Business Tax Registration Fee is \$200, \$150 or \$50. In fact, according to Mr. Sullivan, even if there were no Business Tax Registration Fee, most of the costs incurred by the Tax Collector's Office would continue in order to issue the currently required annual renewal of the Business Tax Registration Certificates (separate and apart from the fee collection).

7. Mr. Sullivan reports that the Business Registration Fee Unit includes both the Business Tax Unit, responsible for processing new applications for registration, collecting fees and sending out delinquency notices and the Tax Clearance Unit, responsible for identifying businesses not currently registered, firms that are doing business in San Francisco and checking if such businesses owe other City taxes. In addition, there are two positions in the Purchaser's Office that are responsible for insuring that any firm that does business with the City of San Francisco is registered with the City and has paid all applicable taxes. According to Mr. Sullivan, the 1989-90 budgeted cost for these staff activities is approximately \$625,000.

8. Since 1988, when the Board of Supervisors approved the Business Tax Registration Certificates and the \$200 Business Tax Registration Fee, Mr. Sullivan reports that a total of 17,505 new Business Tax Registration Certificates have been issued. During this same time, the Tax Collector's Office has closed out 14,202 backlogged business registration files for businesses that have closed, gone out of business, no longer owe the City taxes, etc. Together, these two efforts have resulted in 3,303 net new business registrations for the City.

**Recommendation**

Establishment of an annual Business Tax Registration Fee of \$150 and requiring that businesses which pay the payroll/gross receipts tax no longer be granted a credit for the payment of the Annual Business Tax Registration Fee against their gross receipts or payroll taxes is a policy decision for the Board of Supervisors. However, as noted above, another proposed ordinance to establish a Business Tax Registration Fee at the rate of \$50 annually and to maintain the credit against gross receipts or payroll taxes is currently pending before the Finance Committee. As previously noted, the current \$200 Business Tax Registration Fee expires effective July 1, 1990.

**BOARD OF SUPERVISORS**  
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Item 7 - File 127-90-6

**Item:** Ordinance which amends the Municipal Code to increase the Parking Tax Surcharge from 5% to 10% effective July 1, 1990.

The proposed legislation would end the deferral of the additional 5% parking tax surcharge. This would increase the total Parking Tax and the Parking Tax Surcharges from 20% to 25%, or an increase of 25%, as follows:

Current Parking Tax	15%
Current Parking Tax Surcharge	<u>5%</u>
Current Total Parking Tax and Surcharge	20%
Deferred Parking Surcharge never implemented for collection	<u>5%</u>
Proposed Total 15% Parking Tax and 10% Parking Tax Surcharge	25%

**Description:**

In June of 1980, the voters in San Francisco approved a 10% Parking Tax Surcharge (Proposition R) in addition to the existing 15% Parking Tax, thereby increasing the effective Parking Tax rate from 15% to 25% of parking fees charged at City-owned garages and privately-owned garages. After approval of this increase by the voters in June of 1980, the Board of Supervisors approved five six-month deferrals and one three-year deferral of its implementation. In December of 1985, the Board of Supervisors lifted the deferral on 5% of the deferred 10% surcharge, effective March 1, 1986, thereby effecting a 20% total parking tax and surcharge, and continued to defer the remaining 5% of the 10% parking tax surcharge authorized by the voters in 1980. Therefore, the total effective parking tax continues presently to be 20% (15% parking tax plus 5% parking tax surcharge).

**Comments:**

1. Two-thirds of the present 15% Parking Tax is allocated to the General Fund and one third of the 15% Parking Tax is allocated to the Senior Citizens Programs Fund. Proposition R required that the revenue from the additional 10% Parking Tax Surcharge be deposited entirely in the City's General Fund. The current 5% surcharge is allocated entirely to the General Fund.

2. The estimated amounts of the parking tax and the parking tax surcharge, as included in the Mayor's recommended 1990-91 budget amount, are as follows:

	Total <u>Amount</u>	Amount Allocated to <u>General Fund</u>	Amount Allocated to Senior Citizens Programs <u>Fund</u>
15% Parking Tax	\$21,500,000	\$15,500,000	\$6,000,000*
5% Parking Tax Surcharge	5,500,000	5,500,000	-
5% Parking Tax Surcharge (Proposed)	5,000,000**	5,000,000**	-
Total 15% Parking Tax and 10% Surcharge	<u>\$32,000,000</u>	<u>\$26,000,000</u>	<u>\$6,000,000*</u>

\* Conservative Estimate.

\*\* Assumes an effective date of August 1, 1990.

3. The Tax Collector is responsible for collecting the parking tax and parking tax surcharge. Mr. Sullivan of the Tax Collector's Office estimated the following revenues for fiscal year 1990-91:

	Total <u>Amount</u>	Amount Allocated to <u>General Fund</u>	Amount Allocated to Senior Citizens Program <u>Fund</u>
15% Parking Tax	\$19,575,000	\$13,050,000	\$6,525,000
5% Parking Tax Surcharge	6,525,000	6,525,000	-
5% Parking Tax Surcharge (Proposed)	5,100,000 *	5,100,000 *	-
Total 15% Parking Tax and 10% Surcharge	<u>\$31,200,000</u>	<u>\$24,675,000</u>	<u>\$6,525,000</u>

\* Assumes an effective date of September 1, 1990.

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Based on the estimate of Mr. Sullivan, the total estimated amount of revenues to be realized from the General Fund will be \$24,675,000 or \$1,325,000 or less than the \$26,000,000 estimated in the 1990-91 budget.

4. The proposed legislation provides for the proposed additional 5% parking tax surcharge to be imposed as of August 1, 1990. Mr. Sullivan states that this proposed August 1, 1990 date is not realistic in that it does not provide sufficient time for the City-owned garages and the private parking facility operators to change signs and take care of various other administrative requirements, including the passage of necessary legislation for the City-owned garages. These matters must be completed in order to collect the proposed additional 5% parking tax surcharge. Mr. Sullivan recommends an effective date of September 1, which he believes would be a reasonable date to begin the imposition of the proposed additional 5% parking tax surcharge.

5. As noted in Comment No. 3 above, Mr. Sullivan of the Tax Collector's Office estimates that the Parking Tax revenues to be realized by the General Fund for 1990-91 are \$1,325,000 less than what is contained in the Mayor's 1990-91 budget. The Budget Analyst estimates that \$25,200,000 in Parking Tax revenues will be realized by the General Fund in 1990-91 assuming passage of the proposed 5% Parking Tax Surcharge with an effective date of September 1, 1990. Based on the Budget Analyst's estimate, the General Fund budgeted revenues are overstated by an estimated \$800,000 (\$26,000,000 included in budget less \$25,200,000 estimated by the Budget Analyst).

- Recommendations:**
1. Implementation of an additional 5% parking tax surcharge is a policy decision for the Board of Supervisors.
  2. If the Board of Supervisors decides to adopt the proposed legislation, it should be amended by changing the operative date on line 7 page 2 from July 1, 1990 to September 1, 1990.



Item 8 - File 64-90-20

**Department:** Civil Service Commission  
Department of Real Estate

**Item:** Resolution to authorize a new lease for office space at 44 Gough Street.

**Location:** 44 Gough Street (new lease)

**Purpose of Lease:** Office space for Civil Service Commission staff.

**Lessor:** Taldan Investment Company.

**No. of Sq. Ft. and Cost per month:** 27,000 sq ft @ 1.15/sq. ft./month = \$30,938 per month.

**Annual Cost:** \$371,256

**Term of Lease:** July 1, 1990 to June 30, 1995. Lease also provides for two 5-year options. The City may exercise a first-right-of- refusal on the first 5-year option.

**Scheduled Rent Increase:** The lease provides for no rent increase for the first three years. Thereafter, rent may be increased according to the CPI but no more than 9 percent per year.

**Utilities and Janitorial Services Provided by Lessor:** The proposed lease provides that water, gas, and electricity will be paid by Civil Service and building maintenance and scavenger services will be provided by the lessor.

**Source of Funds:** General Fund monies in the 1990-91 Civil Service budget.

**Description:** Currently, the Civil Service Commission rents 8,421 square feet of office space and uses an additional 4,579 square feet of storage space at no extra cost (for a total of 13,000 square feet) at 646 Van Ness. Civil Service uses the 646 Van Ness office space to house the Examination, Classification and Management Development units. The building owner has notified Civil Service that it must vacate the office space at 646 Van Ness by no later than October, 1990.

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**BUDGET ANALYST**



The Department of Real Estate has identified and the Civil Service Commission proposes to rent 27,000 square feet of office space at 44 Gough in order to house the Examination, Classification, and Management Development units. The Department also plans to move the Salary, Training, and Management Information Systems units from City Hall to the 44 Gough Street location. Civil Service would move a total of 110 employees over to the new office space. In addition, the new offices will contain sufficient space for a computer room for its database programs, and oral board, meeting, and testing rooms, which Civil Service does not currently have. The Department currently spends \$17,500 per year for renting rooms at various locations around the City.

The proposed lease at 44 Gough would commence July 1, 1990, or as soon as the lessor completes the needed tenant improvements and Civil Service is able to move into the space. During the interim, Civil Service will remain at the 646 Van Ness location and pay rent on the space at the rate of \$11,698 per month or \$140,376 annually, (\$1.39 per square foot for 8,421 square feet) up to a maximum of six months or until the 44 Gough location is ready for occupancy.

Civil Service reports that as part of its management action plan to increase the efficiency and effectiveness of the City's Civil Service system, the Department has requested funding for 16 positions in its 1990-91 budget and proposes to consolidate the various Department units into one location. These 16 positions were authorized in the 1989-90 budget but could not be filled due to salary savings requirements. The office space at 646 Van Ness cannot accommodate the 16 additional positions in addition to the consolidation of the various Department units. Therefore, the additional space at 44 Gough Street is needed to accommodate the proposed consolidated staffing arrangement.

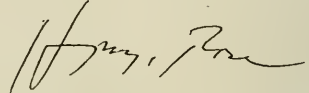
Mr. Albert Walker of Civil Service Staff reports that the increased office space at 44 Gough is needed because the Department staff is severely overcrowded at both City Hall and the 646 Van Ness locations. Mr. Walker further reports that the Equal Employment Opportunity (EEO) unit and the Payroll and Accounting unit will be located in the office space at City Hall vacated by the Salary, Training, and Management Information Systems units. Mr. Walker reports that the EEO unit and the Payroll and Accounting unit, which are presently at City Hall, are in overcrowded space.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

**Comments:**

- 1) Mr. Steve Legnitto of the Real Estate Department advises that the proposed rental amount of \$1.15 per square foot for the 44 Gough office space is considered to be the fair market rate for this space.
- 2) Under the proposed lease, Civil Service proposes to increase their amount of leased office space from 13,000 square feet to 27,000 square feet. Civil Service reports that it needs the increase of 14,000 square feet to alleviate overcrowded conditions at City Hall and at 646 Van Ness. Presently, the average amount of office space per employee at 646 Van Ness is 86 square feet per employee for 98 employees and 84 square feet per employee for 12 employees at City Hall. The new office space at 44 Gough would increase the space for employees to 152 square feet per employee (16,680 square feet divided by 110 employees). The increase in office space would also include 10,320 square feet for new meeting, oral board, and training rooms, which Civil Service does not currently have (16,680 square feet plus 10,320 square feet equals 27,000 square feet).
- 3) Civil Service has budgeted sufficient funds in their 1990-91 budget for the rental of the office space at 44 Gough.
- 4) The Budget Analyst will review the proposed 16 new positions in the 1990-91 budget. However, Civil Service reports that even if the 16 positions are not approved in the 1990-91 budget, the Department needs the additional office space because of the present overcrowded conditions at 646 Van Ness and City Hall.

**Recommendation:** While the Budget Analyst recognizes the overcrowded conditions at 646 Van Ness, given the significant increase in the amount of space in the proposed lease, from 13,000 square feet to 27,000 square feet, and the significant cost increase from \$140,376 annually to \$371,256 annually, the proposed resolution is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

0,25  
90  
\*\*\*\*\*

**PLEASE NOTE: CHANGE IN MEETING TIME**

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JUN 1 1990  
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**CALENDAR - [ACTIONS TAKEN]**  
**SPECIAL MEETING OF**  
**FINANCE COMMITTEE**  
**BOARD OF SUPERVISORS**  
**CITY AND COUNTY OF SAN FRANCISCO**

THURSDAY, JUNE 14, 1990 - 1:30 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 168-90-2. [Park and Open Space Fund] Resolution concurring with the general recommendations on the Park and Open Space Fund for Fiscal year 1990-91, reserving approval or disapproval on specific acquisitions. (Supervisor Gonzalez)

NOTE: It is the intention of the Chair to entertain a motion to consider this item at the time the Finance Committee considers Recreation and Park Department Budget.

ACTION: MEETING RECESSED TO 6/15/90.



CITY AND COUNTY



OF SAN FRANCISCO

**BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415)554-7642

June 12, 1990

DOCUMENTS DEPT.

TO: Finance Committee

FROM: Budget Analyst

SUBJECT: June 14, 1990 Finance Committee Meeting.

JUN 14 1990

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Item 1 - File 168-90-2

1. The proposed resolution would indicate the Board of Supervisors concurrence with the joint recommendations of the Recreation and Park Commission and the City Planning Commission concerning expenditure of the fiscal year 1990-91 Open Space Acquisition and Park Renovation Fund, with the reservation by the Board of Supervisors to approve or disapprove any specific acquisitions as provided in the 1990-91 Open Space Budget.

2. Under the provisions of Section 6.413 of the Charter, an annual tax of 2.5 cents per hundred dollars of assessed property valuation is imposed for the Open Space Fund for a period of fifteen years. In the first five years of the Fund, the Board of Supervisors was required to expend specific proportions of annual Open Space revenues for acquisition of properties, for renovation of properties and for administration and maintenance. After the first five years, the Board of Supervisors was permitted to modify the proportion of funds to be used for acquisitions and after year ten, the Board was permitted to allocate funds to administer, maintain and develop properties in high need areas that were not purchased with fund proceeds.

3. Fiscal year 1989-90 constituted the fifteenth and last year of this program, which began in 1974. However, in November of 1988, San Francisco voters approved Proposition E which extended the Open Space Acquisition and Park Renovation Fund an additional fifteen years beginning July 1, 1990. Monies for this Fund would come from property taxes at the same rate currently in effect. Not more than 40% of the Fund would be used for maintenance of properties acquired between 1974 and June 30, 1991. The remaining money in the Fund would be spent as follows: (1) at least 40% for acquiring and developing property; (2) at least 15% for renovation; (3) up to 25% for maintaining property acquired after June 30, 1991, for recreation programs other than after-school recreation, and for administration; and (4) 20% for after-school recreation programs.

Memo to Finance Committee  
June 14, 1990

4. The table below shows property tax revenues that have accrued to the Open Space Fund.

<u>Fiscal Year</u>	<u>Open Space Revenues</u>
1975-76	\$2,637,972
1976-77	3,029,297
1977-78	3,414,149
1978-79	3,032,083
1979-80	1,900,000
1980-81	4,879,215
1981-82	5,353,834
1982-83	6,098,608
1983-84	6,810,960
1984-85	7,404,364
1985-86	8,572,212
1986-87	9,261,331
1987-88	10,091,185
1988-89	14,342,299
1989-90	13,469,000*
1990-91	<u>14,372,000*</u>
Total	\$114,668,509

\* Estimated

Mr. Prindle has estimated that, as of June 30, 1990, the unappropriated revenues in the Open Space Fund will be approximately \$6.3 million.

4. The Recreation and Park Department's proposed 1990-91 budget includes the following expenditures from the Open Space Fund:

	<u>Amount</u>	<u>Percentage of</u> <u>Percent of Remainder</u>	
		<u>Total Fund</u>	<u>of Fund</u>
Total Park and Open Space Fund	\$14,355,000	100.0	
Maintenance and Acquired Properties	<u>5,500,000</u>	38.3	
Remainder of Fund	<u>8,855,000</u>		
Acquiring and Developing Property	4,037,000	28.1	45.6
Renovation	2,155,000	15.0	24.3
Administration	947,000	6.6	10.7
After-School Program	<u>1,716,000</u>	<u>12.0</u>	<u>19.4</u>
Total	<u>\$8,855,000</u>	<u>61.7</u>	<u>100.0</u>

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

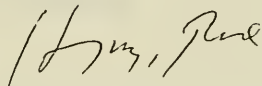


Comments

1. The percentage of the Fund proceeds to be expended for acquisition, development and renovation in 1990-91 conform to Charter provisions.
2. The proposed resolution provides that the Board of Supervisors concurrence is made with the joint recommendations of the Recreation and Park Commission and the City Planning Commission concerning proposed 1990-91 Open Space expenditures, with the reservation that the Board of Supervisors may approve or disapprove any specific acquisitions for which funding might be provided in the 1990-91 Open Space budget.

Recommendation

Approve the proposed resolution.

  
Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey



\*\*\*\*\*

PLEASE NOTE: CHANGE IN MEETING TIME

\*\*\*\*\*

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JUN 15 1990

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CALENDAR - [ACTIONS TAKEN]  
RECESSED SPECIAL MEETING OF

FINANCE COMMITTEE

BOARD OF SUPERVISORS

CITY AND COUNTY OF SAN FRANCISCO

FRIDAY, JUNE 15, 1990 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 168-90-2. [Park and Open Space Fund] Resolution concurring with the general recommendations on the Park and Open Space Fund for Fiscal year 1990-91, reserving approval or disapproval on specific acquisitions. (Supervisor Gonzalez)

NOTE: It is the intention of the Chair to entertain a motion to consider this item at the time the Finance Committee considers Recreation and Park Department Budget.

(Continued from 6/14/90.)

ACTION: RECOMMENDED.



0,25

0/90

\*\*\*\*\*  
PLEASE NOTE: CHANGE IN MEETING TIME  
\*\*\*\*\*

CALENDAR - [ACTION/TAKEN]  
MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, JUNE 20, 1990 - 1:30 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

ABSENT: SUPERVISOR MAHER, Items 1, 2 & 3

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 101-89-80.2. Requesting release of reserved funds, Department of Public Health, in an amount totalling \$32,351, for (\$21,000 rental of property and \$11,351 for telephones of Proposition 99 administrative staff). (Department of Public Health)

ACTION: HEARING HELD. RELEASE OF \$11,351 RECOMMENDED. FILED.

2. File 221-90-2. [Use of Proposition 99 Funds] Resolution urging the Mayor to use discretionary Proposition 99 (Tobacco Tax) funding for new and much needed health services as outlined or similar to the services outlined by the Coalition for Proper Expenditure of Tobacco Tax Funds. (Supervisor Walker)

(Continued from 6/6/90.)

ACTION: CONTINUED TO 7/11/90.

3. File 127-90-2. [Business Tax Registration Certificate - Fee] Ordinance amending Part III (Miscellaneous) of the San Francisco Municipal Code by amending Section 1007 thereof to reduce the Business Tax Registration fee from \$200 to \$50. (Supervisor Kennedy)

(Continued from 6/6/90.)

ACTION: CONTINUED to 6/27/90.

4. File 127-90-4. [Real Property Transfer Tax Increase] Ordinance amending Article 12C of Part III, San Francisco Municipal Code, imposing a real property transfer tax, by amending Section 1102 thereof to increase the real property transfer tax rate from \$2.50 to \$5.50 for each \$500 of consideration or value, and by deleting the exemption from the tax for assumed indebtedness. (Supervisor Walker, Gonzalez)

(Continued from 6/6/90.)

ACTION: CONTINUED TO CALL OF THE CHAIR.

5. File 97-90-30. [Residential Rent Stabilization and Arbitration Fee] Ordinance amending Administrative Code by amending Sections 37A.1, 37A.6, 37A.8, 37A.12 and 49.2 to exempt certain owner-occupied dwelling units and certain owner-occupied buildings according to proof, to establish two separate methods for a landlord's recovery of the fee from a tenant, one of which is a direct deduction from a tenant's security deposit, to decrease the non-payment delinquency period from 90 to 60 days, to expand the penalty and interest period, and to delete the termination clause. (Supervisor Walker presented on behalf of the Mayor.)

(Continued from 6/13/90.)

ACTION: CONTINUED TO RECESSED MEETING OF 6/22/90 AT 1:30 P.M.

6. File 127-9-5. [Business/Payroll Expense Tax Changes] Ordinance amending Article 12-B Of Part III of the San Francisco Municipal Code (Business Tax Ordinance) by amending Section 1007 thereof to reduce the Annual Business Tax Registration Fee from \$200 to \$150 and to eliminate the credit against business or payroll expense taxes for Business Tax Registration Fees paid, and by adding Section 1004.17 thereto to codify the reversion of tax rates to the pre-July 1, 1988 levels; and amending Article 12-A of Part III of San Francisco Municipal Code (Payroll Expense Tax Ordinance) by adding Section 903.1 thereto to codify reversion of tax rates to the pre-July 1, 1988 levels; operative date. (Supervisor Walker on behalf of the Mayor)

(Continued from 6/13/90 with pending amendment.)

ACTION: CONTINUED TO RECESSED MEETING OF 6/22/90 AT 1:30 P.M.

7. File 127-90-6. [Parking Tax Surcharge] Ordinance increasing the parking tax surcharge from 5% to 10% effective July 1, 1990; amending Part III, Article 9 of the Municipal Code by repealing Section 602.5-1; effective date. (Supervisor Walker presented on behalf of the Mayor)

(Continued from 6/13/90.)

ACTION: CONTINUED TO RECESSED MEETING OF 6/22/90 AT 1:30 P.M.

0.25  
20/90  
CITY AND COUNTY



OF SAN FRANCISCO

**BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415)554-7642

June 20, 1990

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JUN 21 1990

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**TO:** Finance Committee

**FROM:** Budget Analyst

**SUBJECT:** June 20, 1990 Finance Committee Meeting

Item 1 - File 101-89-80.2

**Department:** Department of Public Health (DPH), Public Health - Central Office

**Proposed Action:** Release of reserved funds previously approved for administration of Proposition 99 (Tobacco Tax) funds. The funds were reserved pending the submission of details regarding the lease of property.

**Amount:** \$32,351

**Source of Funds:** Proposition 99 (Tobacco Tax) monies

**Description:** On February 20, 1990, the Board of Supervisors approved a supplemental appropriation (File 101-89-80) of \$250,212 for the administration of Proposition 99 Tobacco Tax funds. Of the \$250,212 appropriated, \$32,351 was placed on reserve for rental of property (\$21,000) and for telephones (\$11,351) pending the DPH's submission of information regarding the proposed lease of property.

Proposition 99, through the AB 75 enabling legislation, provides new funds to be administered by the county health department to provide:

A) follow-up medical services for the existing Child Health and Disability Prevention Program,



B) tobacco use prevention education and

C) the California Health Care for Indigents Program (CHIP), which includes:

i) providing counties with additional funds to meet the health care needs of indigent persons and

ii) addressing the uncompensated care costs of private hospitals and physicians for providing health care to indigent persons.

The proposed \$32,351 on reserve would be used for rental of office space and the installation of new telephone equipment for 10 new Proposition 99 administrative positions which the Board of Supervisors approved in February of 1989 (File 101-89-80). Proposition 99 monies for FY 1989-90 must be expended for costs incurred in FY 1989-90 or be returned to the State.

The DPH does not currently have a lease agreement for the proposed rental of property, and the Real Estate Department reports that the lease agreement would not be ready to be submitted to the Board of Supervisors for approval until August, 1990. However, the DPH is requesting that the \$32,351 be released at this time to partially reimburse the General Fund for City administrative and overhead costs, including the costs incurred by the Offices of the Controller and for Light, Heat and Power, incurred during FY 1989-90. Ms. Cynthia Bautista of DPH estimates that the City's 1989-90 administrative and overhead costs for the Proposition 99 program totals approximately \$2 million, based on an overhead rate of 10.2 percent of \$19.4 million in program costs.

**Recommendation:** Approve the proposed release of the reserved funds.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Item 2 - File 221-90-2

**Note:** This item was continued by the Finance Committee at its meeting of June 6, 1990.

1. The proposed resolution would urge the Mayor to use the FY 1990-91 discretionary Proposition 99 (Tobacco Tax) funding totalling approximately \$12 million out of the estimated allocation of \$18.6 million for new health services as outlined by the Coalition for Proper Expenditure of Tobacco Tax Funds, which is a coalition of local, non-profit organizations. As recommended in the Mayor's 1990-91 budget, these monies would be used to fund the continuation of existing services in lieu of use for new health services as is the case under this proposed legislation.

2. Proposition 99, through the AB 75 enabling legislation, provides new funds to be administered by county health departments 1) to provide counties with additional funds to meet the health care needs of indigent persons, 2) to address the uncompensated care costs of private hospitals and physicians, 3) to provide follow-up medical services for the existing Child Health and Disability Prevention (CHDP) program, and 4) to provide tobacco use prevention education. Proposition 99 funds are also available to counties for capital projects for medical facilities. The categorical (or restricted) uses of Proposition 99 funds are to provide health education regarding the use of tobacco and to reimburse physicians and private hospitals for the costs incurred through the provision of health care to medically indigent persons. Discretionary uses are for provision of medical services to indigent persons. The allocation of monies for this purpose are to be determined by the individual counties as long as spending for indigent care exceeds 1988-89 (base year) levels and that the county health system provides the same or an increased level of outpatient services.

3. Approximately \$26.9 million in total Proposition 99 - AB 75 revenue will be made available to the City and County of San Francisco for the current 1989-90 fiscal year. The current estimate for 1990-91 Proposition 99 funds allocated to San Francisco is \$18.6 million. The decrease is due to the fact that the Fiscal Year 1989-90 revenues include one-time only allocations for capital outlays, physician services and county hospital services; whereas Fiscal Year 1990-91 revenues do not include such one-time allocations. There was also a slight reduction in overall AB75 revenues available because of the declining tobacco tax revenue base.

4. These funds will be allocated in the manner displayed in the table on the following page, according to provisional proposals of the DPH. The revenues earmarked for discretionary purposes (\$14.5 million in 1989-90) have been applied against programs and services already funded in the 1989-90 budget. According to the Mayor's proposals for 1990-91, discretionary monies of approximately \$12.0 million will be used to continue these same services in 1990-91. This allocation of Proposition 99 revenue is permitted since funding levels already meet the criteria described above and substantially exceed expenditures for eligible services during the base fiscal year of 1988-89.

**Proposition 99 Provisional Allocations**  
(in \$ millions)

		Fiscal Year <u>1989-90</u>	Fiscal Year <u>1990-91</u>
<u>Categorical Allocations</u>			
Capital Outlay		\$ 4.0	
Tobacco Education		1.6	\$ 1.6
Private Hospitals		3.3	3.0
Physician Services			
	One-time	1.3	
	On-going	<u>2.2</u>	<u>2.0</u>
Subtotal		\$ 12.4	\$ 6.6
<p>- the above amounts are for one time capital projects, tobacco education and to pay private hospitals and physicians for unreimbursed costs incurred in the the provision of health care to indigent persons</p>			
<u>Discretionary Uses</u>			
County Hospitals		7.6	7.2
Other County Health Services		5.1	4.8
One time Hospital Costs		<u>1.8</u>	-
Subtotal		<u>14.5</u>	<u>12.0</u>
<p>- to reimburse the City and County for increased costs incurred over the base year (1988-89) for health care of indigent persons</p>			
Total Provisional Allocation		\$ 26.9	\$ 18.6

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

5. The Coalition for Proper Expenditure of Tobacco Tax Funds has prepared an outline of proposed uses of discretionary Proposition 99 funds for FY 1990-91, which is attached (Attachment 1). In summary, the proposed uses which total \$12,185,000 are as follows:

Children's multi-disciplinary services	\$2,000,000
Drug treatment services for mothers with children	2,200,000
Health outreach services to homeless	350,000
AIDS prevention and support for high risk minorities	2,000,000
Outpatient medical services for uninsured and low income	1,500,000
Peri-natal care to high risk pregnant women and infants	500,000
AIDS prevention for high risk adolescents	400,000
Therapeutic services for sexually abused children	260,000
Nursing support services at San Francisco General Hospital (SFGH)	475,000
Dental staffing and equipment at SFGH and District Health Centers	1,000,000
Mental health services for homeless, mentally disabled and refugee adults	<u>1,500,000</u>
Total	\$12,185,000

### Comments

1. The Mayor's Office reports that the Mayor's proposed uses of the discretionary funds for Proposition 99 monies in FY 1990-91 will fund the continuation of existing health care services to indigent persons which were increased in FY 1989-90 in anticipation of increased funding from Proposition 99. The Mayor's Office indicates that it believes that the Mayor's proposed budget reflects the general priorities as outlined by the Coalition given the limitations of the State guidelines for the use of the funds and the overall availability of funds. The Mayor's Office has prepared a graph depicting how the Proposition 99 funds fit into the DPH's budget and a summary of the DPH programs and items which received increases in FY 1989-90 (Attachment 2).

2. As noted in the table on the previous page, approximately \$7.2 million of the \$12.0 million in discretionary funds will be used for County Hospital services, which is in accordance with State guidelines. Therefore, only approximately \$4.8 million is available for the non-hospital County health services recommended by the Coalition. The DPH reports that the Health Commission will reexamine the Proposition 99 FY 1990-91 expenditure plans early in FY 1990-91.

3. To the extent that the \$12 million in discretionary Tobacco Tax funds is used for new services as outlined by the Coalition, rather than to continue funding existing services as proposed in the Mayor's 1990-91 budget, implementation of the Coalition's proposal would result in a revenue shortfall of up to \$12 million, unless additional revenues were raised or other expenditures were reduced.

Memo to Finance Committee  
June 20, 1990

**Recommendation**

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

# COALITION FOR PROPER EXPENDITURE OF TOBACCO TAX FUNDS

126 HYDE STREET, SUITE 102, SAN FRANCISCO CA 94102  
346-3740 OR 641-4362

APR 23 1990

April 17, 1990

Dear Members of the Health Commission,

The health care delivery system in San Francisco fails to adequately address the health problems of many of our most needy people. Indications of the systems failures include:

- Lack of early intervention in health problems when preventive measures could avoid long term chronic illness
- Unacceptably long waiting periods for necessary outpatient, dental and mental health care
- Continued escalation of the crack crisis without treatment programs for major victims of the epidemic

The Tobacco Tax funds that are now available to San Francisco as a result of the passage of Proposition 99 provide the city with a unique opportunity to make significant strides in addressing these unmet needs. Because of our concern about the urgent health needs of many San Franciscans, the undersigned organizations have collaborated to develop joint recommendations for the expenditure of discretionary Tobacco Tax funds. Our organizations are coalitions which represent over 100 diverse groups throughout the city. We are acting in unison because we recognize the overlapping needs of our various constituency groups - homeless, children, refugees, AIDS victims, and indigent; and believe that a comprehensive plan to address their needs is required. The funding proposal we are making includes services to San Francisco's large immigrant and refugee population, with the recommendation that the availability of bi-lingual and bi-cultural providers be significantly expanded. Also implicit in the recommendations is our support for the Department of Public Health's plan to expand outpatient services through the primary care network.

We urge the Health Commission to allocate discretionary Tobacco Tax funds toward the following (all current priorities of the Department of Public Health):

- Children's multi-disciplinary health, mental health and substance abuse outreach services  
----- \$2,000,000
- Continuum of drug treatment services for mothers with children, including residential; and residential and peer counseling drug treatment and prevention program for youth  
----- \$2,200,000
- Health Outreach Services to homeless  
----- \$350,000
- Community-based AIDS prevention and support programs for high risk minority populations  
----- \$2,000,000



- Expansion of outpatient medical clinic services for uninsured and low income adults  
----- \$1,500,000
- Expansion of peri-natal care to high risk pregnant women and infants  
----- \$500,000
- Outreach services to high risk adolescents to prevent AIDS and other serious medical problems  
----- \$400,000
- Therapeutic services for sexually abused children  
----- \$260,000
- Support services to nursing units at SFGH  
----- \$475,000
- Expansion of staffing for dental services at SFGH and District Health centers, and funding for dental equipment and supplies  
----- \$1,000,000
- Outpatient, outreach and case management mental health services for homeless, mentally disabled, refugee adults in satellite community based settings  
----- \$1,500,000

We believe that it is in the best interest of San Francisco to use the Tobacco Tax funds for the purpose for which the voters intended - the creation of new and necessary health services. It is our understanding that last year's Department of Public Health budget increases were funded through the general fund. We believe that this should continue. The current plan to use Tobacco Tax funds for current services is unacceptable. If we proceed with this plan, we will be using money that should be targeted to new health services to solve the city's overall fiscal problems, at a great cost to the health of many San Franciscans. We recommend instead that Tobacco Tax funds be allocated toward the purposes listed above.

Sincerely,

Coalition on Homelessness

Coleman Advocates for Children and Youth

Community Health Coalition

Coalition for Homeless Women and Children

SEIU, Local 790

San Francisco Neighborhood Legal Assistance Foundation

Coalition on Immigrant and Refugee Rights and Services

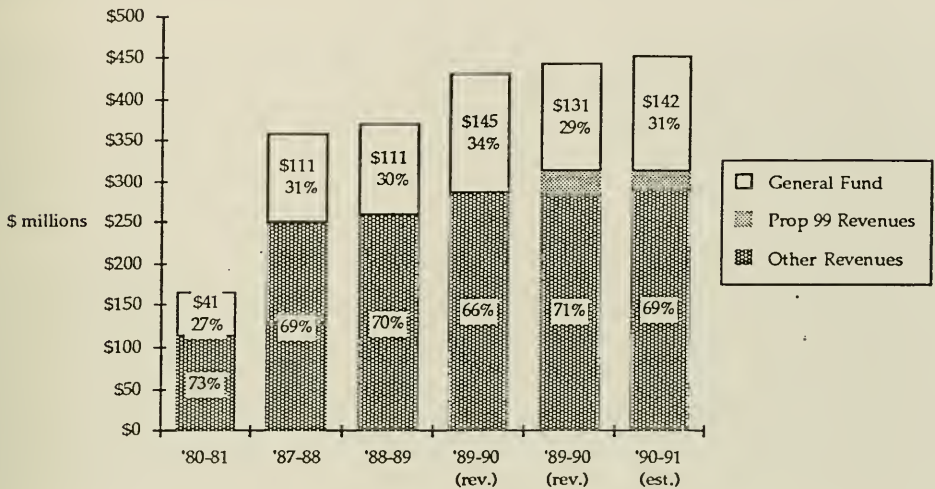
cc: Mayor Art Agnos  
Supervisor Nancy Walker  
Deputy Mayor Carol Wilkins



# Proposition 99: How it fits into the Health Department's Budget

(Percentages for "Other Revenues" category includes Proposition 99 funds)

**Total Budget**      \$154      \$360      \$371      \$432      \$445      \$455



(Note: '90-'91 estimated does not include SSO increases)

## What was responsible for increases in the budget in 1989-90?

### Increased Costs

16.00	SSO
14.50	Nursing MOU
4.50	SFGH-inflation
2.70	MH-COLAs
<u>2.10</u>	SFGH-UC COLAs
39.80	Total

### Program Enhancement

2.40	SFGH-staff for revs & infrastructure
2.10	MOU positions-LVNs, orderlies, PTs
2.00	Forensics med & psych staff
0.90	LHH-licensing & infrastructure
0.50	LHH-earthquake capital repairs
<u>0.20</u>	YGC staffing
8.10	Total

### New Services

4.00	Prop 99-cap outlay
3.50	Prop 99-priv. MD
3.30	Prop 99-priv. hosp.
3.00	Paramedics & rigs
2.10	SFGH-new beds
1.90	AIDS services
1.60	Prop 99-tobacco ed
1.30	Primary care
0.50	LHH-AIDS SNF beds
0.40	Family planning
0.30	MH-case mgmnt, voc rehab
0.25	Crack res. treatment
0.22	Jail diversion
0.15	Occ. safety & health
<u>0.03</u>	School health
22.55	Total

Prepared by Mayor's Office, 3/6/90



Item 3 - File 127-90-2

**Note:** This item was continued by the Finance Committee at its meeting of June 6, 1990.

The proposed ordinance would amend Part III, Section 1007 of the San Francisco Municipal Code to impose an annual Business Tax Registration Fee of \$50, a decrease of \$150 annually or 75 percent from the current annual fee of \$200. The current annual fee of \$200 is scheduled to expire effective July 1, 1990.

In July, 1988, the Board of Supervisors approved amendments to the City's Municipal Code (File 127-88-1) to require annual renewal of Business Tax Registration Certificates and the annual payment of a \$200 Business Registration Fee. These provisions apply to all businesses operating in the City and County of San Francisco and to all contractors and vendors providing goods or services to the City. In December, 1988, the Board of Supervisors amended the Municipal Code (File 127-88-1.2) to exempt "small businesses" with annual gross receipts of \$15,000 or less from the \$200 Business Registration Fee.

In November of 1988, the Board of Supervisors appropriated (File 101-88-30) a total of \$859,748 to the Treasurer-Tax Collector for a Business Registration Fee Unit and amended the Annual Salary Ordinance (File 102-88-11) for the creation of 13 positions and for computer equipment costs and other operational-related costs associated with establishing a unit to process, enforce and collect the \$200 annual renewals of Business Tax Registration Certificates and the \$200 Business Registration Fee. The Business Registration Fee Unit was also created to identify businesses located outside of San Francisco that do business in San Francisco and which would be subject to the Business Registration Fee. The Unit has also attempted to identify businesses that are not paying other taxes that are due to the City.

**Comments**

1. According to Mr. Richard Sullivan of the Tax Collector's Office, the annual \$200 Business Registration Fee is projected to generate \$8 to \$9 million in fiscal year 1989-90. Based on the current annual revenue collection of approximately \$8 to \$9 million for the \$200 Business Registration Fee, it is reasonable to assume that a reduction of the annual fee to \$50 would result in \$2 million to \$2.25 million of annual revenue to the City, or about one-fourth of the current revenues.

2. Mr. Sullivan reports that the Business Registration Fee Unit includes both the Business Tax Unit, responsible for processing new applications for registration, collecting fees and sending out delinquency notices and the Tax Clearance Unit, responsible for identifying businesses not currently registered, firms that are doing business in San Francisco and checking if such businesses owe other City taxes. In addition, there are two positions in the Purchaser's Office that are responsible for insuring that any firm that does business with the City of San Francisco is registered with the City and has paid all applicable taxes.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

According to Mr. Sullivan, the 1989-90 budgeted cost for these staff activities is approximately \$625,000.

3. Since 1988, when the Board of Supervisors approved the Business Tax Registration Certificates and the \$200 Business Tax Registration Fee, Mr. Sullivan reports that a total of 17,505 new business registrations have been issued. During this same time, the Tax Collector's Office has closed out 14,202 backlogged business registration files for businesses that have closed, gone out of business, no longer owe the City taxes, etc.. Together, these two efforts have resulted in 3,303 net new business registrations for the City.

4. The Mayor's proposed budget for fiscal year 1990-91 includes a reduction of the Business Registration Fee from \$200 to \$150 per year. The City's payroll/gross receipts tax is currently 1.6 percent. For 1990-91, this tax is presently scheduled to be 1.5 percent, down from the 1.6 percent in 1989-90. However, businesses can deduct the current \$200 annual Business Tax Registration Fee from the amount of payroll/gross receipts taxes owed. While, the Mayor's proposed budget for 1990-91 reduces the payroll/gross receipts tax from 1.6 percent to 1.5 percent, the Mayor's budget proposes that businesses, which currently pay the payroll/gross receipts taxes no longer be allowed a credit of the proposed annual \$150 registration fee. Based on these proposals, the Mayor's budget includes \$7.4 million of revenues for 1990-91. An ordinance that includes these provisions is currently pending before the Finance Committee of the Board of Supervisors (Item 6 - File 127-90-5).

5. A comparison of the existing ordinance, the Mayor's proposal for fiscal year 1990-91 and the proposed ordinance that is the subject of this legislation, including the amount of revenues to be generated by each, are as follows:

	<u>Annual Registration Fee</u>	<u>Projected Revenues</u>
Current Ordinance	\$200	\$8 to \$9 million
Mayor's Proposed Budget*	\$150	\$7.4 million
Proposed Ordinance (This item)**	\$50	\$2 to \$2.25 million

\* Includes provision that businesses that currently pay the payroll/gross receipts taxes will also pay the proposed \$150 annual Business Tax Registration Fee, without receiving a credit for the payments of that annual fee.

\*\* Credit against payroll/gross receipts taxes is given under the proposed ordinance.

6. According to Mr. Sullivan, if an annual registration fee of \$150 is imposed and no credit is given to businesses which pay the payroll/gross receipts taxes, he estimates a total of \$7.2 million to \$7.5 million would be generated in 1990-91. Mr. Sullivan reports that the same level of staffing and work will be required of the Tax Collector's Office regardless of whether the Business Tax Registration Fee is \$200, \$150 or \$50. In fact, according to Mr. Sullivan, even if there were no Business Tax Registration Fee, most of the costs incurred by the Tax Collector's Office would continue in order to issue the currently required annual registration certificates (separate and apart from the fee collection).

### Recommendations

Establishment of an annual Business Tax Registration Fee of \$50 is a policy decision for the Board of Supervisors. However, as noted above, the Mayor's proposed 1990-91 budget assumes establishment of a Business Tax Registration Fee at the rate of \$150 annually and that businesses which pay the payroll/gross receipts tax no longer be granted a credit for the payment of the Annual Business Tax Registration Fee against their gross receipts or payroll taxes paid to the City. As previously noted, the current \$200 Business Tax Registration Fee expires effective July 1, 1990.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Item 4 - File 127-90-4

**Note:** This item was continued by the Finance Committee at its meeting of June 6, 1990.

The proposed ordinance would amend Part III, Article 12C, Section 1102 of the San Francisco Municipal Code to increase the real property transfer tax rate from \$2.50 to \$5.50 for each \$500 of consideration of value and delete the exemption for assumed indebtedness from the real property transfer tax.

Part III, Article 12C, Section 1102 of the City's Municipal Code currently states that for each deed for which any land or other property sold within the City and County of San Francisco is transferred or otherwise conveyed to any other person or persons, when the value of the interest or property conveyed exceeds \$100, a tax at the rate of \$2.50 for each \$500 or fraction thereof shall be imposed. This tax is referred to as the real property transfer tax. The existing real property transfer tax provisions also exclude the value of any lien or encumbrance remaining at the time of the sale from the \$2.50 for each \$500 of value.

The proposed ordinance would increase the current real property transfer tax rate from \$2.50 to \$5.50 per \$500 of property value. The proposed increase of \$3.00 per \$500 of property value represents a 120 percent increase in the City's real property transfer tax rate. In addition, the proposed ordinance would delete the City's existing provision which excludes the value of any lien or encumbrance remaining at the time of the sale from the real property transfer tax if the buyer purchases the property and assumes the seller's existing financing.

**Analysis**

1. The exclusion of the value of any lien or encumbrance remaining at the time of the sale, which is the case under the existing ordinance, means that if a buyer purchases property and assumes the seller's existing financing, then the amount assumed is not subject to the City's real property transfer tax. For example, as shown in the chart below, if a buyer purchases a \$300,000 home, and has an equity of \$60,000, and assumes the seller's existing financing of \$240,000, then the amount of real property transfer tax owed to the City based on the existing rate of \$2.50 per \$500 of value would be \$300 ( $\$2.50 \text{ per } \$500 \times \$60,000$ ). Under the proposed new ordinance, using the same \$300,000 home example, whereby the existing lien (mortgage) or encumbrance is assumed, the house would be taxed under the proposed new rate of \$5.50 per \$500 of value and the amount of real property transfer tax owed to the City would be \$3,300 ( $\$5.50 \text{ per } \$500 \times \$300,000$ ). Using this example, the real property transfer tax would increase from \$300 to \$3,300, an increase of \$3,000, or a 1,000 percent increase.



	<u>Existing</u>	<u>Proposed</u>
Purchase Price	\$300,000	\$300,000
20 % Equity	60,000	60,000
Assumption of Financing	240,000	240,000
Property Value for Transfer Tax	\$60,000	\$300,000
Transfer Tax Rate Per \$500	2.50	5.50
Property Transfer Tax Owed	300	3,300

2. If a buyer does not assume the seller's existing financing and secures new financing to purchase property, then under both the existing and the proposed legislation, the full sales price value of the property is used to determine the City's real property transfer tax. For example, as shown below, if a buyer purchases a \$300,000 home, places a 20 percent downpayment, or \$60,000, and seeks a new loan from a bank for the \$240,000 balance, then the amount of real property transfer tax owed to the City based on the existing rate of \$2.50 per \$500 of value would be \$1,500 (\$2.50 per \$500 x \$300,000). Under the proposed ordinance, the real property transfer tax owed to the City would be \$3,300 (\$5.50 per \$500 x \$300,000), an increase of \$1,800, or a 120 percent increase.

	<u>Existing</u>	<u>Proposed</u>
Purchase Price	\$300,000	\$300,000
20 % Downpayment	60,000	60,000
New Financing	240,000	240,000
Property Value for Transfer Tax	\$300,000	\$300,000
Transfer Tax Rate Per \$500	2.50	5.50
Property Transfer Tax Owed	1,500	3,300

3. According to Mr. Bruce Jamison of the Recorder's Office, a study in 1988, based on a random selection of 1,000 taxable conveyances processed through the Recorder's Office found that in approximately 30 percent of the property values conveyed through the Recorder's Office, the buyer assumed the seller's existing financing. However, the amount of financing assumed will vary depending on current interest rates, the interest rates of the assumable mortgages, the ability of the seller to offer such financing, the desire of the buyer to assume the mortgage, etc.

4. In the 1990-91 Annual Appropriation Ordinance (Interim Budget), based on the provisions in the existing ordinance, the current real property transfer tax is estimated to generate approximately \$21 million annually of revenue for the City. As shown below, given that the transfer tax rate is proposed to increase from \$2.50 to \$5.50 per \$500 of value, a 120 percent increase, it is projected that the existing \$21 million of annual transfer tax revenues would also increase approximately 120 percent or an increase of \$25.2 million annually, for a total of approximately \$46.2 million in 1990-91. In addition, based on a more conservative

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estimate (than the 30 percent found in the 1988 study of the Recorder's Office), that approximately 20 percent of the property values are assumed indebtedness, the elimination of this exemption would increase the transfer tax by 25 percent (increase from 80 percent collections to 100 percent collections). Therefore, the elimination of the exemption would increase tax revenues by an additional \$11.55 million annually (25 percent x \$46.2 million). Together, these two provisions in the proposed ordinance are projected to increase City transfer tax revenues by \$36.75 million (\$25.2 million + \$11.55 million) from \$21 million to approximately \$57.75 million per year, an increase of 175 percent, as follows:

Current Revenues	\$21.00 million
Percent Increase in Rate	x 120 %
Projected Increased Revenues from Rate Increase	<u>\$25.20 million</u>
Subtotal Revenues from Rate Increase	<u>\$46.20 million</u>
Projected Percent Increase from Elimination of Exemption	x 25 %
Projected Add. Revenues from Elimination of Exemption	<u>\$11.55 million</u>
Total Annual Revenues Projected	<u>\$57.75 million</u>

### Comments

1. Mr. Jamison reports that the general practice in San Francisco is for the seller to pay the real property transfer tax. However, there is no legal requirement that the seller must pay the tax and the payment of the transfer tax can be negotiated between the seller and buyer during the purchase of the property. According to Mr. Jamison, both the buyer and the seller are legally liable for payment of the property transfer tax.

2. Based on discussions with Mr. Jamison, if the proposed ordinance is approved, consideration should be given to delaying the effective date of the legislation for 60 to 90 days to provide adequate notice to all real estate companies and title companies of the changes in the City's transfer tax rate. Providing such time will enable properties that have not entered escrow to include sufficient funds to pay the new taxes.

3. Mr. Jamison also reports that if the proposed legislation is approved, the Recorder's Office may need additional monitoring staff to insure compliance with the new ordinance. According to Mr. Jamison, the Recorder's Office currently monitors at least five percent of all transactions. In most cases, there is voluntary compliance. However, Mr. Jamison states that given the significant increase in the proposed rates, the voluntary compliance rate may decrease. Mr. Jamison estimates one additional 4308 Senior Collections Officer position would be needed at an annual 1990-91 salary and fringe benefit cost of approximately \$49,000.

4. A survey conducted by the Recorder's Office of property transfer taxes charged in neighboring San Francisco Bay Area communities found that all counties in California charge a rate of \$1.10 per \$1,000 of property value (\$0.55 per \$500) and have a provision for the exemption of liens and encumbrances, or assumed indebtedness. Within each county, chartered cities may charge an additional property transfer tax. All of the Bay Area cities that charge additional

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transfer taxes base the tax on the full value of the property. The following chart identifies the five Bay Area counties' transfer tax rates and lists the cities located within each of these five counties that charge transfer taxes.

<u>County/City</u>	<u>County Transfer Tax per \$500 of Value</u>	<u>City Transfer Tax per \$500 of Value</u>	<u>Total Transfer Tax per \$500 of Value</u>
<u>Alameda County</u>			
City of Alameda	\$0.55	\$2.20	\$2.75
City of Albany	0.55	2.20	2.75
City of Berkeley	0.55	5.00	5.55
City of Oakland	0.55	4.75	5.30
City of Piedmont	0.55	2.20	2.75
<u>Contra Costa County</u>			
	0.55	0	0.55
No cities in Contra Costa County charge an additional transfer tax.			
<u>Marin County</u>			
San Rafael	0.55	.20	0.75
<u>San Mateo County</u>			
City of San Mateo	0.55	2.50	3.05
<u>Santa Clara County</u>			
City of San Jose	0.55	1.65	2.20
City of Mountain View	0.55	1.65	2.20

Based on the above data, if the proposed property transfer tax is increased in San Francisco to \$5.50 per \$500 of property value, other than the City of Berkeley, San Francisco will have the highest property transfer taxes in the Bay Area. However, as reported by Mr. Jamison, the City of Berkeley has a provision in their property transfer tax that excludes all personal residences if occupied for more than five years from paying any property transfer tax, when the property is sold. As reflected by the chart above, most cities do not charge an additional property transfer tax.

5. Discussions with the City Attorney's Office and the Controller's Office indicate that increases in the City of Oakland's property transfer tax have resulted in a lawsuit concerning the legality of such increases given the provisions established in the State's Proposition 13. Mr. Buck Delventhal of the City Attorney's Office reports that the Superior Court has recently upheld the City of Oakland's increases in their transfer tax, although this decision may be appealed. Mr. Sam Yockey of the Controller's Office reports that he is awaiting further information from the City Attorney's Office regarding whether there would be a need to sequester any increased revenues resulting from an increase in property transfer taxes, if the proposed ordinance is approved, pending the outcome of adjudication.

**Recommendation**

Approval of the proposed ordinance to increase the City's real property transfer tax from \$2.50 to \$5.50 and to delete the exemption for assumed indebtedness from the real property transfer tax is a policy matter for the Board of Supervisors. As previously noted, this would result in an estimated tax increase of 175 percent, generating additional tax revenues of \$36.75 million annually.

If the proposed ordinance is approved, consideration should be given to delaying the effective date to provide adequate notice to affected parties.

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Item 5 - File 97-90-30

**Note:** This item was continued by the Finance Committee at its meeting of June 13, 1990.

The proposed ordinance would amend the San Francisco Administrative Code by amending Sections 37A.1, 37A.6, 37A.8, 37A.12 and 49.2 to exempt certain owner-occupied dwelling units and buildings, to establish two methods for a landlord to recover the annual Rent Board fee from tenants, to decrease the non-payment delinquency period from 90 days to 60 days, to expand the penalty and interest period and to delete the termination clause.

The current Rent Board fee ordinance is scheduled to expire on June 30, 1990. The current Rent Board's annual fee is \$8 per unit. Under the proposed ordinance, the current \$8 annual fee would continue to be imposed.

In 1989, the Board of Supervisors approved the creation of a Residential Rent Stabilization and Arbitration Fee and the elimination of the Rent Board's filing fees (File 97-89-25). This fee is based on the projected annual cost of funding the Rent Board plus related administrative costs, which would include, but not be limited to the City's Tax Collector and Assessor costs for related activities. The total projected annual cost is then divided by the total number of residential rental units estimated to pay the fee, based on the definition of residential units, as defined in Sections 203.4 and 203.7 of the San Francisco Housing Code. Under the current ordinance, residential units would not include the following: owner occupied units, owner occupied buildings containing four units or less, guest rooms, dwelling units in non-profit cooperatives, hospitals, convents or extended care facilities, non-profit homes for the aged or educational institutions.

Under the proposed ordinance, residential units would also not include:

- (1) any dwelling unit which is occupied by an owner of record on either a full-time or part-time basis and which is not rented at any time, provided that the owner files such an affidavit with the Tax Collector; and
- (2) an owner-occupied building containing four units or less wherein the owner files an affidavit with the Tax Collector stating that the owner resided in the building for a minimum of six months prior to November 1.

The proposed ordinance would then not apply to these exempt dwelling units.

The proposed ordinance would also establish two separate methods for a landlord to use to recover the annual Rent Board fee from tenants. Under the existing ordinance, the owner may recover the fee from the tenants by submitting a copy of the Tax Collector's bill to the tenant with a written request for payment within 60 days of the request. If the tenant fails to remit the requested amount, the owner may deduct the fee from the next interest payment owed by the landlord to the tenant on the tenant's security deposit. The proposed ordinance would permit the landlord to either:

- (1) deduct the fee from the next interest payment owed on the tenant's security deposit, by providing written notice of the deduction and purpose at the time the interest payment is due; or
- (2) bill the tenant directly for the fee, stating the amount for each unit, that the purpose is to fund the Rent Board and related administrative costs and that the fee is due and payable within 30 days of the date of the bill.

Chapter 49 of the Administrative Code specifies that a landlord must pay at least five percent simple interest per year on all security deposits held for at least one year for tenants. Therefore, under the proposed ordinance, the landlord could deduct the annual fee from the amount owed.

Under both the existing and proposed ordinance, the owner is liable for payment of the fee to the Tax Collector whether or not the owner recovers the fee amount from the tenant. The owner may seek recovery of the fee from the tenant of each residential unit who occupies the unit on November 1. However, the fees are due from the owner by October 1.

If the full payment is not received by the Tax Collector's Office, the proposed ordinance would decrease the delinquent bill provisions by 30 days, from the current 90 days to 60 days. After the account is considered delinquent, the Tax Collector would then send an additional request for payment, advising the recipient that if the payment is not received within another 30 days, a 25 percent penalty will be added, plus an interest charge of 1.5 percent monthly. After these notices of fees and penalties, the Board of Supervisors, in a noticed public hearing, can then add a \$49 charge for the Tax Collector and record a lien for the entire unpaid balance, including penalties and interest against the owner's real property. Under the current provisions, only the Board of Supervisors, in a noticed public hearing could add the 25 percent penalty, the 1.5 percent monthly interest charge and the \$49 Tax Collector charge to record the lien.



### **Comments**

1. The proposed ordinance establishes two separate methods for the landlord to collect the annual fee from the tenant. However, the proposed ordinance does not permit the landlord to use both methods, if one method is not successful, such as in the current legislation. For example, if the landlord bills the tenant directly for the fee and the tenant does not remit the fee to the landlord, under the current provisions, the landlord can then deduct the amount from the tenant's interest payment on the security deposit. However, under the proposed ordinance, if the tenant does not remit the fee when billed, the landlord does not have any recourse other than to take the tenant to small claims court to recover the amount billed.

2. The Mayor's recommended 1990-91 budget assumes that the Board of Supervisors will impose the same \$8 per residential unit annual fee that presently exists but is set to expire as of July 1, 1990, and includes revenues of \$1.2 million from this revenue source. The Mayor's 1990-91 budget for the Rent Board includes expenditures of \$1,292,323. In addition, the 1990-91 budget includes approximately \$135,000 in administration expenses for the Tax Collector's Office to bill and recover the proposed continuation of the \$8 annual per unit fee.

3. According to Ms. Anita Jin of the Tax Collector's Office, between October 4, 1989 and June 15, 1990, the Tax Collector's Office collected a total of \$1,281,318 from the current \$8 per unit Rent Board fee. Ms. Jin reports that there are still 4,962 delinquent bills, which are anticipated to be sent out this week. Based on the amount of each delinquent bill, including the penalties and interest expenses on these bills, Ms. Jin reports that an additional \$369,865 could be collected. Together with the \$1,281,318 of revenues already collected, a total of \$1,651,183 could be collected. This assumes that all of the delinquent bills would be paid, that liens will not be required on any of these delinquent bills and that the Tax Collector would therefore not collect any additional interest expenses or the additional \$49 charge to record a lien on each property.

### **Recommendation**

The proposed ordinance to impose the Residential Rent Stabilization and Arbitration Fee at the current annual rate of \$8 per unit, which is scheduled to expire as of July 1, 1990, and to amend some of its provisions is a policy matter for the Board of Supervisors. However, it should be noted that the Mayor's recommended 1990-91 budget assumes that the Board of Supervisors will approve this fee in 1990-91 at the same rate charged in 1988-89, to offset the costs of the Rent Board.

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Item 6 - File 127-90-5

**Note:** This item was continued by the Finance Committee at its meeting of June 13, 1990. One Amendment of the Whole was introduced and approved on June 13, 1990 and another Amendment of the Whole is pending for the June 20, 1990 Finance Committee Meeting.

The proposed ordinance would amend Part III, Chapter 12B, Section 1007 of the San Francisco Municipal Code to impose an annual Business Tax Registration Fee of \$150, a decrease of \$50 annually or 25 percent from the current annual fee of \$200. The current annual fee of \$200 is scheduled to expire effective July 1, 1990.

The proposed ordinance would also delete Section 1007(d), which permits taxpayers to apply the current \$200 annual registration fee as a credit against the gross receipt/payroll taxes owed for the year.

In addition, the Amendment of the Whole approved on June 13, 1990 would provide for the business (gross receipts) tax rates and the payroll expense tax rate at the 1.5 percent payroll tax rate level and the related gross receipts tax rate levels rather than the current 1.6 percent payroll tax rate level and the related gross receipts tax rate levels, as provided for in Ordinance Nos. 358-88 and 357-88, respectively. Under the proposed ordinance, the changes in fees and taxes would become effective on July 1, 1990.

In July, 1988, the Board of Supervisors approved amendments to the City's Municipal Code (File 127-88-1) to require annual renewal of Business Tax Registration Certificates and the annual payment of a \$200 Business Registration Fee. These provisions apply to all businesses operating in the City and County of San Francisco and to all contractors and vendors providing goods or services to the City. In December, 1988, the Board of Supervisors amended the Municipal Code (File 127-88-1.2) to exempt "small businesses" with annual gross receipts of \$15,000 or less from the \$200 Business Registration Fee.

In November of 1988, the Board of Supervisors appropriated (File 101-88-30) a total of \$859,748 to the Treasurer-Tax Collector for a Business Registration Fee Unit and amended the Annual Salary Ordinance (File 102-88-11) for the creation of 13 positions and for computer equipment costs and other operational-related costs associated with establishing a unit to process, enforce and collect the \$200 annual renewals of Business Tax Registration Certificates and the \$200 Business Tax Registration Fee. The Business Registration Fee Unit was also created to identify businesses located outside of San Francisco that do business in San Francisco and which would be subject to the Business Registration Fee. The Unit has also attempted to identify businesses that are not paying other taxes that are due to the City.

**Comments**

1. According to Mr. Richard Sullivan of the Tax Collector's Office, the annual \$200 Business Registration Fee is projected to generate \$8 to \$9 million in fiscal year 1989-90.

2. The City's payroll tax rate is currently 1.6 percent and the gross receipts tax rates are at related levels. The Amendment of the Whole would officially repeal the City's gross receipts tax rates and the City's payroll expense tax rate, concerning the tax increases imposed on July 1, 1988 and then continued from July 1, 1989 through June 30, 1990. Approving the proposed ordinance would officially repeal the sunset clause on the current 1.6 percent payroll tax rate and the related gross receipts tax rates and the Amendment of the Whole would revert these tax rates back to the 1.5 percent and related levels effective July 1, 1990.

3. As proposed, for 1990-91, the payroll/gross receipts tax rates would be reduced to the 1.5 percent level. However, businesses can presently deduct the current \$200 annual Business Tax Registration Fee from the amount of payroll/gross receipts taxes owed for the year. While, the Mayor's proposed budget for 1990-91 contains the previously scheduled reduction in the payroll/gross receipts tax rates from the 1.6 percent to the 1.5 percent rate and related rate levels, the proposed ordinance would no longer permit businesses, which currently pay the payroll/gross receipts taxes, to be allowed a credit (against the amount of the payroll/gross receipts taxes owed to the City) of the proposed annual \$150 Parking Tax Registration Fee. Based on these proposals, the Mayor's recommended budget includes \$7.4 million of revenues for 1990-91.

4. Another proposed ordinance (File 127-90-2) is currently being considered by the Finance Committee of the Board of Supervisors, which would impose a \$50 annual Business Registration Fee for fiscal year 1990-91, rather than the Mayor's proposed \$150 annual fee, which is the subject of this item. The proposed \$50 annual Business Registration Fee ordinance would provide a credit to businesses that pay gross receipt/payroll taxes, similar to the current ordinance's provisions. Based on the current annual revenue collection of approximately \$8 to \$9 million for the \$200 Business Registration Fee, it is reasonable to assume that a reduction of the annual fee to \$50 would result in \$2 million to \$2.25 million of annual revenue to the City, or about one-fourth of the current revenues.

5. A comparison of the existing ordinance, the proposed \$150 annual Business Tax Registration Fee ordinance (File 127-90-5) and the proposed \$50 annual Business Tax Registration Fee ordinance that is pending before the Finance Committee (File 127-90-2), including the amount of revenues to be generated by each, are as follows:

Annual Registration Fee

Projected Revenues

Current Ordinance	\$200	\$8 to \$9 million
Proposed Ordinance* (This item)	\$150	\$7.4 million
Proposed Ordinance ** (File 127-90-2)	\$50	\$2 to \$2.25 million

\* Includes provision that businesses that currently pay the payroll/gross receipts taxes will also pay the proposed \$150 annual Business Tax Registration Fee, without receiving a credit for the payments of that annual fee.

\*\* Credit against payroll/gross receipts taxes would be provided under the proposed ordinance.

6. According to Mr. Sullivan, if an annual Business Tax Registration Fee of \$150 is imposed and no credit is given to businesses which pay the payroll/gross receipts taxes, he estimates a total of \$7.2 million to \$7.5 million would be generated in 1990-91. Mr. Sullivan reports that the same level of staffing and work will be required of the Tax Collector's Office regardless of whether the Business Tax Registration Fee is \$200, \$150 or \$50. In fact, according to Mr. Sullivan, even if there were no Business Tax Registration Fee, most of the costs incurred by the Tax Collector's Office would continue in order to issue the currently required annual renewal of the Business Tax Registration Certificates (separate and apart from the fee collection).

7. Mr. Sullivan reports that the Business Registration Fee Unit includes both the Business Tax Unit, responsible for processing new applications for registration, collecting fees and sending out delinquency notices and the Tax Clearance Unit, responsible for identifying businesses not currently registered, firms that are doing business in San Francisco and checking if such businesses owe other City taxes. In addition, there are two positions in the Purchaser's Office that are responsible for insuring that any firm that does business with the City of San Francisco is registered with the City and has paid all applicable taxes. According to Mr. Sullivan, the 1989-90 budgeted cost for these staff activities is approximately \$625,000.

8. Since 1988, when the Board of Supervisors approved the Business Tax Registration Certificates and the \$200 Business Tax Registration Fee, Mr. Sullivan reports that a total of 17,505 new Business Tax Registration Certificates have been issued. During this same time, the Tax Collector's Office has closed out 14,202 backlogged business registration files for businesses that have closed, gone out of business, no longer owe the City taxes, etc. Together, these two efforts have resulted in 3,303 net new business registrations for the City.



9. According to Mr. Jack Doherty of the City Attorney's Office, a second Amendment of the Whole is currently being prepared. It is anticipated that this Amendment will be introduced at the June 20, 1990 Finance Committee. This Amendment of the Whole will address the concerns of the Tax Collector's Office regarding the proration of the Business Registration Fee in order to make payments more equitable for businesses and add provisions for when and how businesses apply for the annual Business Tax Registration Fee certificate. Each registration certificate would be valid for the calendar year and expire on December 31. For new businesses starting January 1 through March 31, the annual fee would be 100 percent, from April 1 through June 30, the annual fee would be 75 percent, from July 1 through September 30, the annual fee would be 50 percent and from October 1 through December 31 the annual fee would be 25 percent. Annual renewal of businesses, through the filing of the necessary application and payment of the required fees, would be required in October and the Tax Collector would issue a new certificate by November 30 of each year for the succeeding calendar year.

10. According to Mr. Thad Brown of the Tax Collector's Office, the proposed changes would not adversely affect the amount of revenues the City receives from the Annual Business Tax Fee.

### **Recommendation**

Establishment of an annual Business Tax Registration Fee of \$150 and requiring that businesses which pay the payroll/gross receipts tax no longer be granted a credit for the payment of the Annual Business Tax Registration Fee against their gross receipts or payroll taxes is a policy decision for the Board of Supervisors. However, as noted above, another proposed ordinance to establish a Business Tax Registration Fee at the rate of \$50 annually and to maintain the credit against gross receipts or payroll taxes is currently pending before the Finance Committee. As previously noted, the current \$200 Business Tax Registration Fee expires effective July 1, 1990.

Item 7 - File 127-90-6

**Note:** This item was continued by the Finance Committee at its meeting of June 13, 1990.

**Item:** Ordinance which amends the Municipal Code to increase the Parking Tax Surcharge from 5% to 10% effective July 1, 1990.

The proposed legislation would end the deferral of the additional 5% parking tax surcharge. This would increase the total Parking Tax and the Parking Tax Surcharges from 20% to 25%, or an increase of 25%, as follows:

Current Parking Tax	15%
Current Parking Tax Surcharge	<u>5%</u>
Current Total Parking Tax and Surcharge	20%

Deferred Parking Surcharge never implemented for collection	<u>5%</u>
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Proposed Total 15% Parking Tax and 10% Parking Tax Surcharge	25%
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**Description:** In June of 1980, the voters in San Francisco approved a 10% Parking Tax Surcharge (Proposition R) in addition to the existing 15% Parking Tax, thereby increasing the effective Parking Tax rate from 15% to 25% of parking fees charged at City-owned garages and privately-owned garages. After approval of this increase by the voters in June of 1980, the Board of Supervisors approved five six-month deferrals and one three-year deferral of its implementation. In December of 1985, the Board of Supervisors lifted the deferral on 5% of the deferred 10% surcharge, effective March 1, 1986, thereby effecting a 20% total parking tax and surcharge, and continued to defer the remaining 5% of the 10% parking tax surcharge authorized by the voters in 1980. Therefore, the total effective parking tax continues presently to be 20% (15% parking tax plus 5% parking tax surcharge).



**Comments:**

1. Two-thirds of the present 15% Parking Tax is allocated to the General Fund and one third of the 15% Parking Tax is allocated to the Senior Citizens Programs Fund. Proposition R required that the revenue from the additional 10% Parking Tax Surcharge be deposited entirely in the City's General Fund. The current 5% surcharge is allocated entirely to the General Fund.

2. The estimated amounts of the parking tax and the parking tax surcharge, as included in the Mayor's recommended 1990-91 budget amount, are as follows:

	<u>Total Amount</u>	<u>Amount Allocated to General Fund</u>	<u>Amount Allocated to Senior Citizens Programs Fund</u>
15% Parking Tax	\$21,500,000	\$15,500,000	\$6,000,000*
5% Parking Tax Surcharge	5,500,000	5,500,000	-
5% Parking Tax Surcharge (Proposed)	5,000,000**	5,000,000**	-
Total 15% Parking Tax and 10% Surcharge	<u>\$32,000,000</u>	<u>\$26,000,000</u>	<u>\$6,000,000*</u>

\* Conservative Estimate.

\*\* Assumes an effective date of August 1, 1990.

3. The Tax Collector is responsible for collecting the parking tax and parking tax surcharge. Mr. Sullivan of the Tax Collector's Office estimated the following revenues for fiscal year 1990-91:

	<u>Total Amount</u>	<u>Amount Allocated to General Fund</u>	<u>Amount Allocated to Senior Citizens Program Fund</u>
15% Parking Tax	\$19,575,000	\$13,050,000	\$6,525,000
5% Parking Tax Surcharge	6,525,000	6,525,000	-
5% Parking Tax Surcharge (Proposed)	5,100,000 *	5,100,000 *	-
Total 15% Parking Tax and 10% Surcharge	<u>\$31,200,000</u>	<u>\$24,675,000</u>	<u>\$6,525,000</u>

\* Assumes an effective date of September 1, 1990.

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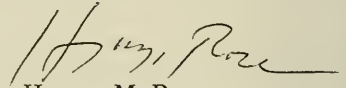
Based on the estimate of Mr. Sullivan, the total estimated amount of revenues to be realized from the General Fund will be \$24,675,000 or \$1,325,000 or less than the \$26,000,000 estimated in the 1990-91 budget.

4. The proposed legislation provides for the proposed additional 5% parking tax surcharge to be imposed as of July 1, 1990. Mr. Sullivan states that this proposed July 1, 1990 date is not realistic in that it does not provide sufficient time for the City-owned garages and the private parking facility operators to change signs and take care of various other administrative requirements, including the passage of necessary legislation for the City-owned garages. These matters must be completed in order to collect the proposed additional 5% parking tax surcharge. Mr. Sullivan recommends an effective date of September 1, which he believes would be a reasonable date to begin the imposition of the proposed additional 5% parking tax surcharge.

5. As noted in Comment No. 3 above, Mr. Sullivan of the Tax Collector's Office estimates that the Parking Tax revenues to be realized by the General Fund for 1990-91 are \$1,325,000 less than what is contained in the Mayor's 1990-91 budget. The Budget Analyst estimates that \$25,200,000 in Parking Tax revenues will be realized by the General Fund in 1990-91 assuming passage of the proposed 5% Parking Tax Surcharge with an effective date of September 1, 1990. Based on the Budget Analyst's estimate, the General Fund budgeted revenues are overstated by an estimated \$800,000 (\$26,000,000 included in budget less \$25,200,000 estimated by the Budget Analyst).

Memo to Finance Committee  
June 20, 1990

- Recommendations:** 1. Implementation of an additional 5% parking tax surcharge is a policy decision for the Board of Supervisors.
2. If the Board of Supervisors decides to adopt the proposed legislation, it should be amended by changing the operative date on line 7 page 2 from July 1, 1990 to September 1, 1990.



Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey

**BOARD OF SUPERVISORS**  
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PLEASE NOTE: CHANGE IN MEETING TIME

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CALENDAR - [ACTIONS TAKEN]  
RECESSED MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

FRIDAY, JUNE 22, 1990 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 97-90-30. [Residential Rent Stabilization and Arbitration Fee] Ordinance amending Administrative Code by amending Sections 37A.1, 37A.6, 37A.8, 37A.12 and 49.2 to exempt certain owner-occupied dwelling units and certain owner-occupied buildings according to proof, to establish two separate methods for a landlord's recovery of the fee from a tenant, one of which is a direct deduction from a tenant's security deposit, to decrease the non-payment delinquency period from 90 to 60 days, to expand the penalty and interest period, and to delete the termination clause. (Supervisor Walker presented on behalf of the Mayor.)

(Continued from 6/20/90.)

ACTION: CONTINUED TO RECESSED MEETING 6/27/90 AT 1:30 P.M.

2. File 127-9-5. [Business/Payroll Expense Tax Changes] Ordinance amending Article 12-B Of Part III of the San Francisco Municipal Code (Business Tax Ordinance) by amending Section 1007 thereof to reduce the Annual Business Tax Registration Fee from \$200 to \$150 and to eliminate the credit against business or payroll expense taxes for Business Tax Registration Fees paid, and by adding Section 1004.17 thereto to codify the reversion of tax rates to the pre-July 1, 1988 levels; and amending Article 12-A of Part III of San Francisco Municipal Code (Payroll Expense Tax Ordinance) by adding Section 903.1 thereto to codify reversion of tax rates to the pre-July 1, 1988 levels; operative date. (Supervisor Walker on behalf of the Mayor)

(Continued from 6/20/90 with pending amendment.)

ACTION: CONTINUED TO RECESSED MEETING 6/27/90 AT 1:30 P.M. WITH PENDING AMENDMENT.

3. File 127-90-6. [Parking Tax Surcharge] Ordinance Increasing the parking tax surcharge from 5% to 10% effective July 1, 1990; amending Part III, Article 9 of the Municipal Code by repealing Section 602.5-1; effective date. (Supervisor Walker presented on behalf of the Mayor)

(Continued from 6/20/90.)

ACTION: CONTINUED TO RECESSED MEETING 6/27/90 AT 1:30 P.M.

DOCUMENTS DEPT.

JUN 26 1990

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**RECESSED CALENDAR  
BUDGET SESSIONS  
FINANCE COMMITTEE**

**Board of Supervisors  
City and County of San Francisco**

**FRIDAY, JUNE 22, 1990 - 1:30 P.M.                      ROOM 228, CITY HALL**

**MEMBERS:                      SUPERVISORS WALKER, MAHER, HALLINAN**

**CLERK:                      PATRICIA J. ENG**

- 1. File 100-90-1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1990-91. (Mayor)**

**ACTION:    CONTINUED TO RECESSED MEETING ON 6/27/90 AT  
1:30 P.M. WITH PENDING MOTIONS.**





CALENDAR - [ACTIONS TAKEN]  
MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

JUN 29 1990  
SAN FRANCISCO  
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WEDNESDAY, JUNE 27, 1990 - 2:00 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

ABSENT: SUPERVISOR MAHER, ITEM 3

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - a) File 12-90-21. [SB 2153 - Salary Increases] Resolution supporting SB 2153 adjusting salaries and number of personnel of Superior and Municipal Courts. (Municipal Court)
  - b) File 25-90-16. [Prop J Contract] Resolution concurring with the Controller's certification that convention facilities management operation and maintenance services can be practically performed at Brooks Hall, Civic Auditorium and Moscone Center by private contractor for lower cost than similar work services performed by the City and County employees. (Chief Administrative Officer)
  - c) File 25-90-17. [Prop J Contract] Resolution concurring with the Controller's certification that children's day treatment services can be practically performed for the Department of Public Health, Division of Mental Health, Substance Abuse, and Forensic Services by private contractor for a lower cost than similar work services performed by the City and County employees. (Department of Public Health)
  - d) File 25-90-18. [Prop J Contracting Out City Services] Resolution concurring with the Controller's certification that security services at the San Francisco Zoo can be practically performed by private contractor for lower cost than similar work services performed by the City and County employees. (Recreation and Park Department)

- e) File 64-90-14. [Lease of Property] Resolution authorizing a new lease of real property at 1815 Egbert Street for the Police Department. (Real Estate Department)
- f) File 64-90-15. [Lease of Property] Resolution authorizing extension of two certain existing leases of real property for the Commission on the Aging and the Real Estate Department. (Real Estate Department)
- g) File 64-90-16. [Lease of Property] Resolution authorizing lease of vacant land (north side of Ahern Way between Harriet and Sixth Streets) from the State of California for use by the San Francisco Police Department. (Real Estate Department)
- h) File 64-90-17. [Lease of Property] Resolution authorizing the extension of four existing leases of real property for the Public Utilities Commission. (Real Estate Department)
- i) File 64-90-18. [Lease of Property] Resolution authorizing extension of two certain existing leases of real property for the Public Utilities Commission. (Real Estate Department)
- j) File 64-90-19. [Lease of Property] Resolution authorizing extensions of eight certain existing leases of real property for various City departments. (Real Estate Department)
- k) File 64-90-21. [Lease of Property] Resolution authorizing extension of three certain existing leases of real property for the Police Department's Senior Escort Programs. (Real Estate Department)
- l) File 64-90-22. [Lease of Property] Resolution authorizing extension of lease of real property at 1212 Market Street for the Controller's Office of Information Services Division (ISD) education center. (Real Estate Department)
- m) File 64-90-23. [Lease of Property] Resolution authorizing extension of an existing lease of real property at 646 Van Ness Avenue for use by the Civil Service Commission. (Real Estate Department)
- n) File 64-90-24. [License for Use of Property] Resolution authorizing renewal of a license from the Department of the Navy for use of real property at the Hunters Point Annex, Building 128, for use by the Police Department. (Real Estate Department)
- o) File 64-90-25. [Lease of Property] Resolution authorizing lease of real property at 25 Van Ness Avenue for the Department of Parking and Traffic. (Real Estate Department)
- p) File 64-90-26. [Extension of Lease] Resolution authorizing extension of lease of real property at 100 McAllister Street for Offices of the Public Utilities Commission. (Real Estate Department)
- q) File 146-90-35. [Grant - Private Funds] Resolution authorizing Department of Public Health, Community Public Health Services, to apply for, accept and expend a grant of \$10,000 from the American Heart Association for services of the "Lean to Health" project. (Mayor)

- r) File 144-90-1. [Grant - State and Federal Funds] Resolution authorizing the Executive Director of the Port to apply for and accept funds from the California Department of Transportation and the Federal Highway Administration for the improvement to the Port's Passenger Ferry Terminal. (Port Commission)
- s) File 101-87-13.12. [Release of Funds] Requesting release of reserved funds, Fire Department, in the amount of \$67,517, so emergency repairs may be made to the AWSS System on Clay Street between Front and Davis Streets, Project #609-01, Ordinance No. 394-87.(Fire Department)
- t) File 101-89-152.1. Requesting release of reserved funds, Civil Service Commission, in the amount of \$157,590 for communications. (Civil Service Commission)

ACTION: ITEMS 1e, 1g, 1j, 1q, 1m, 1p, 1q, 1r, 1s, AND 1t SEVERED. REMAINDER OF CONSENT CALENDAR RECOMMENDED.

ITEM 1e, File 64-90-14. RECOMMENDED.

ITEM 1g, File 64-90-16. AMENDED TO PLACE \$22,500 IN RESERVE. NEW TITLE: "[Lease of Property] RESOLUTION AUTHORIZING LEASE OF VACANT LAND (NORTH SIDE OF AHERN WAY BETWEEN HARRIET AND SIXTH STREETS) FROM THE STATE OF CALIFORNIA FOR USE BY THE SAN FRANCISCO POLICE DEPARTMENT; PLACING \$22,500 IN RESERVE." RECOMMENDED AS AMENDED.

ITEM 1j, File 64-90-19. AMENDMENT OF THE WHOLE BEARING SAME TITLE ADOPTED AND FURTHER AMENDED TO SEVER ITEM 4, LEASE OF SPACE AT 25 FOURTEENTH STREET. RECOMMENDED AS AMENDED.

SEVERED FROM FILE 64-90-19. File 64-90-19.1. "[Lease of Property] RESOLUTION AUTHORIZING EXTENSION OF EXISTING LEASE OF REAL PROPERTY AT 25 FOURTEENTH STREET FOR USE BY THE JUVENILE PROBATION DEPARTMENT." CONTINUED TO CALL OF THE CHAIR.

ITEM 1m, File 64-90-23. RECOMMENDED.

ITEM 1p, FILE 64-90-26. RECOMMENDED.

ITEM 1q, File 146-90-35. TABLED.

ITEM 1r, File 144-90-1. AMENDMENT OF THE WHOLE ADOPTED. NEW TITLE: "[Grant - State and Federal Funds] RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF THE PORT TO APPLY FOR, ACCEPT AND EXPEND FUNDS FROM THE CALIFORNIA DEPARTMENT OF TRANSPORTATION AND THE FEDERAL HIGHWAY ADMINISTRATION FOR THE IMPROVEMENT TO THE PORT'S PASSENGER FERRY TERMINAL." RECOMMENDED AS AMENDED.

ITEM 1s, File 101-87-13.12. RELEASE OF \$67,517, RECOMMENDED. FILED.

ITEM 1t, File 101-89-152.1. HEARING HELD. RELEASE OF \$157,590 RECOMMENDED. FILED.

REGULAR CALENDAR

2. File 127-90-2. [Business Tax Registration Certificate - Fee] Ordinance amending Part III (Miscellaneous) of the San Francisco Municipal Code by amending Section 1007 thereof to reduce the Business Tax Registration fee from \$200 to \$50. (Supervisor Kennedy)

(Continued from 6/20/90.)

ACTION: TABLED.

3. File 82-90-6. [Termination of Easement] Ordinance authorizing quitclaim of City-owned air rights easement over Lot 22 Block 326 (156 Ellis Street); and adopting findings pursuant to City Planning Code Section 101.1. (Real Estate Department)

ACTION: RECOMMENDED.

4. File 47-90-5. [Parking Garage Lease] Ordinance authorizing execution of agreement regarding Park and Ride Demonstration Program; approving and authorizing execution of seventh amendment of Golden Gateway Garage Lease. (Supervisor Walker)

ACTION: RECOMMENDED.

5. File 170-90-7. [General Obligation Bonds] Resolution determining and declaring the public interest and necessity demand the acquisition, construction or reconstruction by the City and County of San Francisco of the following Municipal Improvement, to wit: The reconstruction of the existing Youth Guidance Center, including related acquisition, construction and reconstruction necessary or convenient for the foregoing purpose, that the estimated cost of seventy-six million nine hundred thousand dollars (\$76,900,000) for said municipal improvement is and will be too great to be paid out of the ordinary annual income and revenue of said City and County and will require the incurring of a bonded indebtedness. (City Attorney)

ACTION: AMENDMENT OF THE WHOLE ADOPTED AND FURTHER AMENDED TO ADD \$2,000,000 FOR THE ACQUISITION AND RECONSTRUCTION OF GROUP HOMES IN THE COMMUNITY. NEW TITLE: "[General Obligation Bonds] RESOLUTION DETERMINING AND DECLARING THE PUBLIC INTEREST AND NECESSITY DEMAND THE ACQUISITION, CONSTRUCTION OR RECONSTRUCTION BY THE CITY AND COUNTY OF SAN FRANCISCO OF THE FOLLOWING MUNICIPAL IMPROVEMENT, TO WIT: THE RECONSTRUCTION OF THE EXISTING YOUTH GUIDANCE CENTER, INCLUDING RELATED ACQUISITION, CONSTRUCTION AND RECONSTRUCTION NECESSARY OR CONVENIENT FOR THE FOREGOING PURPOSE, PROVIDED, HOWEVER, THAT TWO MILLION DOLLARS (\$2,000,000) BE SET ASIDE FOR THE ACQUISITION OR RECONSTRUCTION OF GROUP HOMES IN THE COMMUNITY, THAT THE ESTIMATED COST OF SEVENTY-THREE MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$73,800,000) FOR SAID MUNICIPAL IMPROVEMENT IS AND WILL BE TOO GREAT TO BE PAID OUT OF THE ORDINARY ANNUAL INCOME AND REVENUE OF SAID CITY AND COUNTY AND WILL REQUIRE THE INCURRING OF A BONDED INDEBTEDNESS." RECOMMENDED AS AMENDED.

6. File 146-90-44. [Grant - State] Resolution authorizing the Department of Public Health, Community Substance Abuse Services, to apply for, accept and expend a grant of \$385,797 from the State of California, Department of Alcohol and Drug Programs, to provide funds for equipment purchase and start-up program services. (Supervisor Walker)

ACTION: AMENDED TO PROVIDE FOR RATIFICATION OF ACTION PREVIOUSLY TAKEN. NEW TITLE: "[Grant - State] RESOLUTION AUTHORIZING THE DEPARTMENT OF PUBLIC HEALTH, COMMUNITY SUBSTANCE ABUSE SERVICES TO APPLY FOR, ACCEPT AND EXPEND A GRANT OF \$385,797 FROM THE STATE OF CALIFORNIA, DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS, TO PROVIDE FUNDS FOR EQUIPMENT PURCHASE AND START-UP PROGRAM SERVICES." RECOMMENDED AS AMENDED.

7. File 170-90-10. [General Obligation Bonds] Resolution determining and declaring the public interest and necessity demand the acquisition, construction or reconstruction by the City and County of San Francisco of the following municipal improvements, to wit: jail facilities to be constructed or reconstructed partially from State grants and partially from matching funds from bonds to be issued under this proposition, will provide funds for the foregoing purposes including related acquisition, construction or reconstruction necessary or convenient for the foregoing purpose, that the estimated cost of \$24,000,000 for said municipal improvement is and will be too great to be paid out of the ordinary annual income of said City and County and will require an incurring of a bonded indebtedness. (Supervisor Walker presented on behalf of the Sheriff.)

ACTION: AMENDMENT OF THE WHOLE ADOPTED AND FURTHER AMENDED TO CORRECT THE AMOUNT OF THE ESTIMATED COST TO READ \$16,500,000. NEW TITLE: "[General Obligation Bonds] RESOLUTION DETERMINING AND DECLARING THE PUBLIC INTEREST AND NECESSITY DEMAND THE ACQUISITION, CONSTRUCTION OR RECONSTRUCTION BY THE CITY AND COUNTY OF SAN FRANCISCO OF THE FOLLOWING MUNICIPAL IMPROVEMENTS, TO WIT: JAIL FACILITIES TO BE CONSTRUCTED OR RECONSTRUCTED PARTIALLY FROM STATE GRANTS AND PARTIALLY FROM MATCHING FUNDS FROM BONDS TO BE ISSUED UNDER THIS PROPOSITION, WILL PROVIDE FUNDS FOR THE FOREGOING PURPOSES INCLUDING RELATED ACQUISITION, CONSTRUCTION OR RECONSTRUCTION NECESSARY OR CONVENIENT FOR THE FOREGOING PURPOSE, THAT THE ESTIMATED COST OF SIXTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$16,500,000) FOR SAID MUNICIPAL IMPROVEMENT IS AND WILL BE TOO GREAT TO BE PAID OUT OF THE ORDINARY ANNUAL INCOME OF SAID CITY AND COUNTY AND WILL REQUIRE AN INCURRING OF A BONDED INDEBTEDNESS. RECOMMENDED AS AMENDED.

File 170-90-10.1. RESOLUTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED: "[Inducement] RESOLUTION DECLARING THE INTENTION OF THE BOARD OF SUPERVISORS TO UNDERTAKE TAX-EXEMPT FINANCING TO PAY THE COST OF OR TO REIMBURSE ITSELF FOR ANY CAPITAL IMPROVEMENT PROJECTS OR OTHER EXPENDITURES RELATED TO THE CONSTRUCTION OR RECONSTRUCTION OF CORRECTIONAL FACILITIES." RECOMMENDED.





25  
CITY AND COUNTY



OF SAN FRANCISCO

{SF}  
30  
**BOARD OF SUPERVISORS**

**BUDGET ANALYST**

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415)554-7642

June 27, 1990

**TO:** Finance Committee  
**FROM:** Budget Analyst  
**SUBJECT:** June 27, 1990 Finance Committee Meeting

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Item 1a - File 12-90-21

1. The proposed resolution would support enactment of SB 2153, which amends the California Government Code to adjust the salaries and number of personnel of the San Francisco Superior and Municipal Courts. The State Government Code designates the classifications, numbers and salaries of judges and other support personnel in all the counties' Superior and Municipal Courts.

2. SB 2153 is State legislation which would amend certain sections of the California Government Code to authorize salaries and the number of personnel in San Francisco's Superior and Municipal Courts at the level which was approved by the Board of Supervisors for fiscal year 1989-90. All changes in the number and compensation of all personnel in the Superior and Municipal Courts authorized by the Board of Supervisors must be ratified by the State Legislature. This ratification generally takes place approximately one year after they are authorized in the Court budgets by the Board of Supervisors. State legislation authorizing the number and salaries of all Municipal and Superior Court personnel authorized by the Board of Supervisors for the forthcoming 1990-91 fiscal year will not be adopted until approximately one year from now.

3. The proposed resolution states that, in requesting the enactment of the State statute, the Board of Supervisors agrees that the increased costs (over 1988-89 levels) are a charge to the City and County of San Francisco.



Comment

There are no additional costs to the City and County as a result of the enactment of SB 2153, since these costs have already been approved by the Board of Supervisors for the Superior and Municipal Courts for 1989-90.

Recommendation

Approve the resolution.

Item 1b - File 25-90-16

**Department:** Chief Administrative Officer

**Item:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Convention Facilities Management for Brooks Hall, Civic Auditorium and Moscone Center.

**Description:** The Controller has determined that contracting for these convention facilities management services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operating Service Costs</u>		
Salaries and Fringe Benefits	\$5,572,895	\$6,394,396
Operating Expenses	5,645,383	5,645,383
Less Other Operating Expenses*	<u>(3,425,883)</u>	<u>(3,425,883)</u>
Total	\$7,792,395	\$8,613,896
<u>Contracted Service Cost</u>	<u>7,678,282</u>	<u>7,678,282</u>
<u>Estimated Savings</u>	\$114,113	\$935,614

\* The City directly pays for some operating costs, including insurance, utilities and services of other departments that must be paid by the City under either alternative. These costs are not included in the Contracted Service Cost of \$7,678,282.

**Comments:**

1. Convention facilities management services were first certified as required by Charter Section 8.300-1 in 1981 and have been provided by an outside contractor since then.
2. The nine-year contract, which expires June 30, 1990, with Facilities Management, Inc. would be extended for one year from July 1, 1990 through June 30, 1991. The Contracted Service Cost used for the purpose of this analysis is the cost of the proposed 1990-91 contract extension.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Memo to Finance Committee  
June 27, 1990

3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.

ATTACHMENT

CHARTER 8,300-1 (PROPOSITION J) QUESTIONNAIRE

Department: Convention Facilities For Time Period: July 1, 1990 thru June 30, 1991

Contract Services: Convention Facilities

- 1) Who performed services prior to contracting out?

Convention Facilities Employees

- 2) Number of City employees laid off as a result of contracting out?

0

- 3) Explain disposition of employees if they were not laid off.

Employees elected to work for the vendor

- 4) What percentage of a City employee's time is spent on services to be contracted out?

0

- 5) How long have the services been contracted out?

9 years

- 6) What was the first fiscal year for a Proposition J Certification?

81-82

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

The Department will meet the goals of the City MBE/WBE Ordinance. In addition, the contractor has a separate agreement with HRC in regards to MBE/WBE and Affirmative Action. The Contractor files regular compliance reports with HRC.

Jack Moerschbaeher  
Department Representative

Telephone: 554-6178



Item 1c - File 25-90-17

**Department:** Public Health

**Proposed Action:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Children's Day Treatment Services

**Description:** The Controller has determined that contracting for these Children's Day Treatment services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City Operated Service Costs</u>		
Salaries	\$193,981	\$232,983
Operating Expenses	<u>34,569</u>	<u>34,569</u>
Total	\$228,550	\$267,552
<u>Contracted Service Cost</u>	<u>\$227,120</u>	<u>\$227,120</u>
<u>Estimated Savings</u>	\$ 1,430	\$ 40,432

- Comments:**
1. Children's Day Treatment services were first certified as required by Charter Section 8.300-1 in 1980 and have been continuously provided by an outside contractor since then.
  2. The current one-year contract, which expires June 30, 1990, is with Northern California Ambulatory Health Services Inc. which operates under the name of Children's Hospital of San Francisco. The Contracted Service Cost used for the purpose of this analysis is an informal bid from the current contractor.
  3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

**Recommendation:** Approve the proposed resolution.

CHARTER 8.300-1 (Proposition J) QUESTIONNAIREDepartment Public Health - DMSF-CMHSContract Services Children's Day Treatment ServicesFor the term starting approximately July 1, 1990 through June 30, 1991

- 1) Who performed services prior to contracting out?

A Civil Service Unit consisting of staff per 3 below.

- 2) Number of City employees laid off as a result of contracting out?

None

- 3) Explain disposition of employees if they were not laid off.

1.0 FTE 2574 Clinical Psychologist - Retired

1.0 FTE 2932 Sr. Psych. Socwkr - reassigned to a City-run Geriatric Services

1.0 FTE 2932 Sr. Psych. Socwkr - reassigned to City-run OMI Family Center

1.0 FTE 2587 Health Worker - left to go back to school.

- 4) What percent of a City employee's time is spent on services to be contracted out?

City Employees' percent of time spent operating a program equivalent to current contract program would now be the same as Contractor - 4.60 FTE.

Total City Employees' percent of spent administering contract not known - records not kept in this manner.

- 5) How long have the services been contracted out?

Not counting 90/91; Ten years (since FY 80/81 for this program - total of 15 years with Children's Hospital for other programs).

- 6) What was the first fiscal year for a Proposition J Certification?

FY 1980/81

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

Not applicable - Contractor is a non-profit agency. Present MBE/WBE/LBE ordinance applies only to profit-making enterprises.

Marta Rangel-Carli  
Department RepresentativeTelephone 255-3414



Item 1d - File 25-90-18

**Department:** Recreation and Park Department

**Proposed Action:** Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

**Services to be Performed:** Security Services at the Zoo

**Description:** The Controller has determined that contracting for these security services in fiscal year 1990-91 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operating Service Costs</u>		
Salaries	\$147,497	\$173,693
Fringe Benefits	<u>43,797</u>	<u>49,757</u>
Total	\$191,294	\$223,450
<u>Contracted Service Cost</u>	<u>138,202</u>	<u>138,202</u>
<u>Estimated Savings</u>	\$53,092	\$85,248

**Comment:**

1. Security Services were first certified as required by Charter Section 8.300-1 in 1982 and have been continuously provided by an outside contractor since then.
2. The current two-year contract, which expires June 30, 1990, is with Burns International Security Services. The Contracted Service Cost used for the purpose of this analysis is the proposed price for 1990-91 as quoted by Burns International Security Services.
3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

4. For FY 1990-91, the Recreation and Park Department has requested the addition of one security guard and one security supervisor for a total of 13,728 service hours. Mr. Phil Arnold, Assistant Director of the Recreation and Park Department, explained that the current security staffing plan allows for only one guard per shift (except for 2 guards from 10:00 a.m. to 6:00 p.m. on weekends) which is inadequate given the size of the Zoo. In addition, Mr. Arnold states that a supervisor is necessary because, currently, the guards are essentially unsupervised.

5. According to Mr. Robert Yuen of the Controller's Office, the estimate of the range of City Operating Service Cost noted above is based on the 11,648 service hours, or approximately 6 guards. The cost to the City of the requested security supervisor is not included in this estimate. The table below reflects a revised estimate which includes salary and fringe benefits for a security supervisor. As the revised estimate reflects, the cost to the City of providing security services is greater than originally anticipated, thus the estimated savings from contracting with a private company is greater than the savings noted above.

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operating Service Costs</u>		
Salaries	\$176,546	\$208,848
Fringe Benefits	<u>52,112</u>	<u>59,272</u>
Total	\$228,658	\$268,120
<u>Contracted Service Cost</u>	<u>130,202</u>	<u>130,202</u>
<u>Estimated Savings</u>	\$98,456	\$137,918

6. In addition, according to Mr. Bernard Savant, Senior Purchaser of the Recreation and Park Department, the bidding process is complete and a low bid of \$130,202 has been received. Noted in the revised table, this estimate is based on the total requested 13,728 service hours. This revision also increases the potential savings to the City from contracting with a private company for security services .

Recommendation: Approve the proposed resolution

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

CHARTER 8.300-1 (Proposition J) QUESTIONNAIREDepartment Recreation & ParkFor Time Period FY 90-91Contract Services San Francisco Zoo - Security Services

1. Who performed services prior to contracting out?

CETA EMPLOYEES

2. Number of City employees laid off as result of contracting out?

NONE

3. Explain disposition of employees if they were not laid off.

CETA Funds are no longer available.

4. What percent of a City employee's time is spent on services to be contracted out?

N/A

5. How long have the services been contracted out?

1982

6. What was the first fiscal year for a Proposition J Certification?

1982/1983

7. How will contract services meet the goals of your MBE/WBE Action Plan?

Contract services are a bid item. Department has no control as to the determination of most qualified bidder.

Carlos Luna

Department Representative

Telephone: 666-7024



Item 1e - File 64-90-14

**Department:** Police Department

**Item:** Resolution authorizing a new lease.

**Location:** 1815 Egbert Street

**Purpose of Lease:** Space for Narcotics Enforcement Task Force

**Lessor:** San Francisco Housing Authority

**Number of Sq. Ft.:** 12,000 sq. ft. including an increase of 3,750 square feet under this lease.

**Annual Cost:** In-kind rent provided by the Police Department consisting of (a) security services to the Housing Authority and (b) repair of building security equipment. According to Lt. Thomas Suttmeier, a one-time repair cost of approximately \$15,000 and an unknown amount for the additional staffing of a light duty officer at a rank and grade not yet determined, are projected. The minimum monthly cost of a light duty officer at the lowest rank and grade is approximately \$3,504.

**Utilities and  
Janitor Provided  
by Sublessor:**

The Police Department will provide their pro-rata share of utilities and janitorial services at an annual cost of approximately \$6,000 and \$7,000, respectively.

**Term of Lease:** Two years (July 1, 1990, through June 30, 1992)

**Comments:** 1. The Police Department currently (1989-90) rents 8,250 square feet at the Egbert Street location for \$734 per month (\$8,800 annually) to house the Narcotics Enforcement Task Force. The proposed lease would increase the leased space by 3,750 square feet from 8,250 to 12,000 square feet.

2. The Finance Committee approved a supplemental appropriation (File 101-89-144) for the Police Department on June 6, 1990, which included \$1,468 to continue leasing space at 1815 Egbert Street for two months. According to Lt. John Robinson of the Police Department the approved supplemental appropriation of \$1,468 is no longer required as the cost of the lease will be borne by carryover funds.

**Recommendations:** 1. Amend the proposed resolution to direct the Controller to reserve the \$1,468 included in the Supplemental Appropriation Ordinance (File 101-89-144) for rent that is no longer needed.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

Memo to Finance Committee  
June 27, 1990

2. Approve the proposed resolution as amended.

Memo to Finance Committee  
June 27, 1990

Item 1f - File 64-90-15

**Departments:** Commission on Aging  
Real Estate

**Item:** Resolution authorizing the extension of two existing leases of real property for the Commission on the Aging and the Real Estate Department.

**(1) Location:** 25 Van Ness Avenue, Suite 650

**Purpose of Lease:** Office space for the Commission on the Aging

**Lessor:** Bay West Landmark Investors

**Number of Sq. Ft. and Cost/Month:** 4,023 sq. ft. @ \$1.396/sq. ft./month = \$5,615

**Annual Cost:** \$67,380

**% Decrease Over 1989-90:** 38%

**Term of Lease:** July 1, 1990 to June 30, 1995

**Utilities and Janitor Provided by Lessor:** Yes

**Source of Funds:** Rental of Property Account (General Funds)

\*\*\*\*\*

**(2) Location:** 25 Van Ness Avenue, Suite 400

**Purpose of Lease:** Office space for the Real Estate Department

**Lessor:** Bay West Landmark Investors

**Number of Sq. Ft. and Cost/Month:** 3,850 sq. ft. @ \$1.396/sq. ft./month = \$5,374

**Annual Cost:** \$64,488

**% Decrease Over 1989-90:** 38%

**Term of Lease:** July 1, 1990 to June 30, 1995

**Utilities and Janitor Provided by Lessor:** Yes

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**Source of Funds:** Work Order - Rental of Property Account

**Comment:** The Real Estate Department reports that the 38% reduction in the proposed rental rates reflect current fair market values.

**Recommendation:** Approve the proposed resolution.

Item 1g - File 64-90-16

**Department:** Real Estate Department for the Police Department

**Item:** Resolution authorizing the renewal of a lease on a month-to-month basis for two months, and reserving \$7,630 pending the determination of the amount of the rent increase in September, 1990.

**Location:** Sixth and Ahern Streets, vacant lot

**Purpose of Lease:** Parking for emergency vehicles

**Lessor:** State of California (CalTrans)

**No. of Sq. Ft. and Cost per Month:** 23,771 sq. ft. @ \$0.07/sq. ft./mo. = \$1,737 rent/month

**Annual Cost:** \$3,474 for two months  
\$20,844 annually

**% Increase Over 1989-90:** None

**Term of Lease:** Month-to-month for a period not to exceed two months, commencing July 1, 1990.

**Source of Funds:** General Fund

**Reserve of Funds:** The proposed resolution would also reserve \$7,630 to cover an estimated rent increase effective September 1, 1990.

**Comments:**

1. The Police Department has been leasing this CalTrans parking lot since 1973, and the current 10-year lease will expire on June 30, 1990. The Real Estate Department reports that CalTrans' policy will not permit a direct lease renewal with the City and that the Real Estate Department will be bidding at a public auction in early July, 1990, for a two-year lease effective September 1, 1990. In the interim, CalTrans has agreed to a month-to-month tenancy with the City for the period July 1, 1990 through August 31, 1990 at the existing rental rate of \$1,737 per month.
2. The Real Estate Department estimates that the highest bid rental rate will not exceed \$2,500 per month. The Police Department's FY 1990-91 budget includes \$28,474 for the rental of the parking lot at Sixth and Ahern Streets, which is \$3,474 for two months at the existing rate of \$1,737 per month and \$25,000 for ten months at the estimated highest bid rate of \$2,500 per month.

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The proposed reserved funds of \$7,630 is the \$763 difference between the existing monthly rate of \$1,737 and the estimated rate of \$2,500, for the ten month period from September 1, 1990 through June 30, 1991.

3. Although the Real Estate Department estimates that the rental rate will be \$2,500 per month, CalTrans has not guaranteed this rate, nor has CalTrans guaranteed that the City will be awarded the lease. According to Mr. Richard Rodriguez of the Real Estate Department, the intent of the proposed reserve of \$7,630 is to require the Police Department to report to the Finance Committee the actual cost of the rent resulting from the public auction.

The Budget Analyst agrees that funds should be reserved and that the Police Department should report back to the Finance Committee after the outcome of the public auction has been determined. However, the Budget Analyst believes that since the City is not guaranteed of acquiring the two-year lease, the amount of the reserve should be \$25,000, which is the total amount of the estimated rent for the 10 month period from September 1, 1990 through June 30, 1991. Lt. John Robinson of the Police Department concurs with the Budget Analysts' recommendation.

4. The proposed legislation does not specify the source of the funds to be reserved. Therefore, the proposed legislation should be amended to specify that the funds be reserved from the Police Department's FY 1990-91 budgeted funds for rental of property.

5. The Controller reports that the availability of funds for the rental of property totalling \$28,474 in the Police Department's FY 1990-91 budget is subject to approval of the FY 1990-91 Annual Appropriation Ordinance, and that any reserve against these budgeted funds is also subject to approval of the FY 1990-91 Annual Appropriation Ordinance.

6. The title of the proposed resolution does not mention the proposed reserve of \$7,630 and should be amended to include the proposed reserve.

**Recommendation:** Amend the proposed resolution (a) to increase the amount of funds to be reserved from \$7,630 to \$25,000, as noted in Comment 3, above, (b) to specify that the source of funds to be reserved is the Police Department's FY 1990-91 budgeted funds for rental of property, as noted in Comment 4, above, and (c) to amend the title of the legislation to mention the reserve of funds, and approve as amended.

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Item 1h - File 64-90-17

**Departments:** Public Utilities Commission  
Real Estate

**Item:** Resolution authorizing the extension of four existing leases  
for use by the Public Utilities Commission.

**(1) Location:** 23rd Street and Illinois Street

**Purpose of Lease:** Storage of streetcars, materials and equipment for Municipal  
Railway.

**Lessor:** Harrigan, Weidenmueller Co.

**Number of Sq. Ft.  
and Cost/Month:** 85,000 sq. ft. @ \$0.24/sq. ft./month = \$20,731

**Annual Cost:** \$248,772

**% Increase  
Over 1989-90:** 4.2%

**Term of Lease:** July 1, 1990 to June 30, 1992

**Utilities and Janitor  
Provided by Lessor:** No

**Right of Renewal:** Annual upon approval of funds

**Source of Funds:** Municipal Railway Equipment Maintenance/Property Rental  
Account

\* \* \* \* \*

**(2) Location:** 555 California Street

**Purpose of Lease:** Space for Municipal Railway radio communication  
equipment.

**Lessor:** 555 California Street Partners

**Cost/Month:** \$500

**Annual Cost:** \$6,000

**% Increase  
Over 1989-90:** None

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**Term of Lease:** July 1, 1990 to June 30, 1991  
**Source of Funds:** Transportation Division Rental of Property Account

\*\*\*\*\*

**(3) Location:** 414 Mason Street, Room 502  
**Purpose of Lease:** Office space for the Bureau of Management Services (BMIS),  
Public Utilities Commission  
**Lessor:** William Ferdon  
**Number of Sq. Ft.  
and Cost/Month:** 1,855 sq. ft. @ \$1.261 sq. ft./month = \$2,340  
**Annual Cost:** \$28,080  
**% Increase  
Over 1989-90:** None  
**Term of Lease:** July 1, 1990 to June 30, 1991

**Utilities and Janitor  
Provided by Lessor:** Yes

**Right of Renewal:** Annual upon approval of funds

**Source of Funds:** Public Utilities Commission operating budget allocated to  
Municipal Railway, Water Department and Hetch Hetchy  
(partially funded from City's General Fund).

\*\*\*\*\*

**(4) Location:** 414 Mason Street, Rooms 200 (portion), 501 and 603  
**Purpose of Lease:** Additional office space for the Bureau of Management  
Information Systems (BMIS), Public Utilities Commission  
**Lessor:** William Ferdon  
**Number of Sq. Ft.  
and Cost/Month:** 4,600 sq. ft. @ \$1.32/sq. ft./month = \$6,079  
**Annual Cost:** \$72,948  
**% Increase  
Over 1989-90:** 5%

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**Term of Lease:** July 1, 1990 to June 30, 1991

**Utilities and Janitor  
Provided by Lessor:** Yes

**Right of Renewal:** Annual upon approval of funds

**Source of Funds:** Public Utilities operating budget allocated to Water Department, Hetch Hetchy and Municipal Railway (partially funded from City's General Fund).

**Comment:** The Real Estate Department reports that the proposed rentals reflect current fair market values.

**Recommendation:** Approve the proposed resolution.





Item 1i - File 64-90-18

The proposed resolution would authorize the extension of two leases of real property for the Public Utilities Commission (PUC). Each of the proposed leases is summarized below:

- (1)    **Location:**                      Station E - 19th Street and Lexington Street
- Purpose of Lease:**        DC Conversion facility for Hetch Hetchy Water and Power Transit and Power Division
- Lessor:**                      Pacific Gas and Electric Co.
- No. of Sq. Ft. and Cost/Month:**        2,170 sq. ft. @ \$0.46/sq. ft./mo. = \$996 rent/month
- Annual Cost:**                \$11,952
- % Increase over 1989-90:**        4.1%
- Utilities and Janitor Provided by Lessor:**    Maintenance and water only
- Term of Lease:**              July 1, 1990 to June 30, 1991
- Right of Renewal:**        Annual upon approval of funds. Forty one-year options remain.
- Source of Funds:**         Hetch Hetchy Funds

\*\*\*\*\*

- (2)    **Location:**                      Station J - 222 Leidesdorff Street
- Purpose of Lease:**        DC Conversion Facility for Hetch Hetchy Water and Power Transit and Power Division
- Lessor:**                      Pacific Gas and Electric Company
- No. of Sq. Ft. and Cost/Month:**        1,750 sq. ft. @ \$0.49/sq. ft./mo. = \$855 rent/month
- Annual Cost:**                \$10,260
- % Increase over 1989-90:**        4.1%

**Utilities and Janitor**

**Provided by Lessor:** Maintenance and water only

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Annual upon approval of funds. Forty one-year options remain.

**Source of Funds:** Hetch Hetchy Funds

**Comments:**

1. The Real Estate Department reports that none of the proposed rents exceed fair market value.
2. The proposed legislation identifies the first lease as being located on Lexington "Ave." and should read Lexington "Street".

**Recommendation:** Amend the legislation to read Lexington "Street" and approve the proposed resolution as amended.

Item 1j - File 64-90-19

**Item:** The proposed resolution would authorize the extension of eight existing leases. Each of the proposed leases is summarized below:

**(1) Department:** San Francisco Public Library

**Location:** 111 Broad Street

**Purpose of Lease:** Ocean View Branch Library

**Lessor:** Stratigos Real Properties

**No. of Sq. Ft. and Cost/Month:** 1,370 sq. ft. @ \$0.43 sq. ft./month = \$588 rent/month

**Annual Cost:** \$7,056

**% Increase over 1989-90:** 5%

**Term of Lease:** July 1, 1990 to June 30, 1991

**Utilities and Janitor Provided by Lessor:** The City is responsible for all utilities and services.

**Right of Renewal:** Annual upon approval of funds. Two one year option periods remain.

**Source of Funds:** General Fund

**Comment:** The City has leased this space since 1946.

\*\*\*\*\*

**(2) Department:** San Francisco Public Library

**Location:** 2434 San Bruno Avenue

**Purpose of Lease:** Portola Branch Library

**Lessor:** Adeline D. Gill

**No. of Sq. Ft. and Cost/Month:** Approximately 1,735 sq. ft. @ \$0.57 sq. ft./month = \$992 rent/month

**Annual Cost:** \$11,904

**% Increase over  
1989-90:** 4.9%

**Term of Lease:** July 1, 1990 to June 30, 1991

**Utilities and Janitor  
Provided by Lessor:** The City is responsible for all utilities and services.

**Right of Renewal:** Annual upon approval of funds. Two one year option periods remain.

**Source of Funds:** General Fund

**Comment:** The City has leased this space since 1980.

\*\*\*\*\*

**(3) Department:** San Francisco Public Library

**Location:** 45 Leland Avenue

**Purpose of Lease:** Visitacion Valley Branch Library

**Lessor:** Kenneth Chung, Colin Cheung and  
Lawrence Lau

**No. of Sq. Ft. and  
Cost/Month:** 2,300 sq. ft. @ \$0.65/sq. ft./month = \$1,497 rent/month

**Annual Cost:** \$17,964

**% Increase over  
1989-90:** 4.9%

**Term of Lease:** July 1, 1990 to June 30, 1991

**Utilities and Janitor  
Provided by Lessor:** The City is responsible for all utilities and services.

**Right of Renewal:** Annual upon approval of funds. One one year option period remains.

**Source of Funds:** General Fund

**Comment:** The City has leased this space since 1946.

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**(4) Department:** Juvenile Probation Department

**Location:** 25-14th Street, portion of the ground floor

**Purpose of Lease:** Youth Service Center for the San Francisco Juvenile Probation Department. The site would be utilized to conduct two separate activities:

1. A Reception Area for self referrals of youth as well as those youth referred by families, schools and police.
2. A Probation Supervision Program which would provide closer family, community and school contact for youth already on probation in the Mission, Potrero and Southern Police Station Neighborhoods.

**Lessor:** Youth for Service, a non-profit organization

**Number of Sq. Ft. and Cost/Month:** 2,677 sq. ft. @ \$0.51/sq. ft./mo. = \$1,372.50 monthly.

**Annual Cost:** \$16,470  
The City would also be responsible for gas reimbursement to lessor for heat, which would be \$39 per month (\$468 annually) for FY 1990-91, and thereafter would increase at an annual rate of approximately 5.4 percent.

**% Increase Over 1989-90:** 2.9%. This increase results from an adjustment to pay lessor for heating costs.

**Utilities and Janitor Provided by Lessor:** Lessor is responsible for water and scavenger services.

**Term of Lease:** July 1, 1990 through June 30, 1991, subject to the lessor's completion of certain alterations.

**Right of Renewal:** Five one year option periods remain

**Source of Funds:** General Fund

**Comments:** 1. In November, 1989, the Board of Supervisors approved a lease of the space at 25 - 14th Street from Youth for Service for the period January 1, 1990 through June 30, 1990 at a rental rate of \$1,333.50 per month. The space is to establish the probation supervision program services in the community setting. The lease and the Juvenile Probation

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Department's occupancy of the space was contingent on the lessor completing certain alterations at the sole expense of the lessor.

2. According to Mr. Harry Baker of the Mayor's Office of Community Development, the Youth for Service has not yet completed the alterations. Mr. Baker anticipates that the Youth for Service will be able to complete the alterations in October of 1990. Mr. Baker reports that the proposed lease agreement is in the process of being modified to allow the City to defer lease payments until the alterations have been completed and the Department is able to occupy the premises.

3. Mr. Baker requests that the proposed lease be continued to the call of the Chair until the lease modifications can be finalized.

\* \* \* \* \*

<b>(5) Department:</b>	Department of Electricity
<b>Location:</b>	555 California Street, Bank of America Building, Roof
<b>Purpose of Lease:</b>	Antenna and Transmitter Location
<b>Lessor:</b>	555 California Street Partners
<b>Cost/Month:</b>	\$558 rent/month
<b>Annual Cost:</b>	\$6,696
<b>% Increase over 1989-90:</b>	0% This is a fixed rental rate with no change over the previous year's rental payments.
<b>Utilities and Janitor Provided by Lessor:</b>	None
<b>Term of Lease:</b>	July 1, 1990 - June 30, 1991
<b>Right of Renewal:</b>	Two one year option periods remaining, with a six-month notice of termination required.

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**Source of Funds:** General Fund

**Comment:** The City has leased this space since 1971.

\*\*\*\*\*

**(6) Department:** Department of Agriculture

**Location:** 501 Army Street (first floor)

**Purpose of Lease:** Offices

**Lessor:** San Francisco Port Commission

**No. of Sq. Ft. and  
Cost/Month:** 2,275 sq. ft. @ \$0.68 sq. ft./mo. = \$1,553 rent/month

**Annual Cost:** \$18,636

**% Increase over  
1989-90:** 5.7%

**Utilities and Janitor  
Provided by Lessor:** Lessor is responsible for heat, electrical and water services.

**Term of Lease:** July 1, 1990 to June 30, 1991

**Source of Funds:** General Fund

**Right of Renewal:** Four one year option periods remain

**Comment:** The City has leased this space since 1983.

\*\*\*\*\*

**(7) Department:** Police Department

**Location:** Sutro Tower

**Purpose of Lease:** Antenna and Transmitter Location

**Lessor:** Sutro Tower Inc.

**Cost/Month:** \$562 rent/month

**Annual Cost:** \$6,744

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% Increase over  
1989-90: 4.7%

Utilities and Janitor  
Provided by Lessor: None

Term of Lease: July 1, 1990 through June 30, 1991

Right of Renewal: Year-to-year, with option to terminate with six months notice.

Source of Funds: General Fund

Comment: City has leased this space since 1986.

\* \* \* \* \*

(8) Department: Recreation and Park Department

Location: 133 Golden Gate Avenue

Purpose of Lease: To provide space for the operation of the Tenderloin Outreach Program (a children's recreation center).

Lessor: St. Boniface Neighborhood Center, Inc.

Term of Lease: July 1, 1990 to June 30, 1991

# of Sq. Ft. and  
Cost/Month: Approximately 8,780 sq. ft. (including 2,016 sq. ft. of fenced yard space) at an average rate of \$0.27/sq. ft./mo. = \$2,348.

Annual Cost: \$28,176

% Increase over  
1989-90: 2.9%

Right of Renewal: One one year option remains.

Utilities and Janitor  
Provided by Lessor: All utilities and janitorial services provided by lessor.

Source of Funds: Special Recreation and Park Department Revenue Fund

Comment: 1. The Tenderloin Outreach Program has provided educational and recreational services to school age children in the North of Market area over the past seven years.

2. The City has leased this space since 1986.

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Comments

1. Ms. Claudine Venegas from the Real Estate Department reports that none of the proposed rents exceed fair market value.

2. Approval of the proposed lease extensions is requested at this time to permit timely rent payments once the 1990-91 budget is approved.

3. As previously noted, Mr. Baker of the Mayor's Office of Community Development requests that Lease No. 4 for the Juvenile Probation Department lease at 25 - 14th Street be continued to the call of the Chair until a lease modification can be completed. Therefore, Lease No. 4 should be severed from the proposed resolution and continued to the call of the Chair.

Recommendation

Amend the proposed resolution to sever Lease No. 4 for 25 - 14th Street to be continued to the call of the Chair, and approve the proposed resolution as amended.



Item 1k - File 64-90-21

The proposed resolution authorizes the extension of three existing leases of real property for the Police Department's Senior Escort Programs.

**(1) Location:** 1049 Market Street, Suite 607

**Purpose of Lease:** Offices

**Lessor:** 1049 Market Street Associates

**No. of Sq. Ft. and**

**Cost per month:** 1,973 sq. ft. @ \$1.30/sq. ft./mo. = \$2,565 rent/month

**Annual Cost:** \$30,780

**% Increase**

**Over 1989-90** 7.6 percent

**Utilities and Janitor**

**Provided by Lessor:** Yes

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** No options to extend will remain after the proposed extension. Lease will be renegotiated at the end of the proposed one-year lease period.

**Source of Funds:** General Fund

\*\*\*\*\*

**(2) Location:** 948 Pacific Avenue

**Purpose of Lease:** Offices

**Lessor:** Lin Yu Louie

**No. of Sq. Ft. and**

**Cost per month:** 630 sq. ft. @ \$1.43/sq. ft./mo. = \$900 rent/month

**Annual Cost:** \$10,800

**% Increase**

**Over 1989-90:** 7.0 percent

**Utilities and Janitor**

**Provided by Lessor:** Water services only

**Term of Lease:** July 1, 1990 to June 30, 1991

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**Right of Renewal:** No options to extend will remain after the proposed extension. Lease will be renegotiated at the end of the proposed one-year lease period.

**Source of Funds:** General Fund

\*\*\*\*\*

**(3) Location:** 1220 Fillmore Street

**Purpose of Lease:** Offices

**Lessor:** Royal Ada Arms

**No. of Sq. Ft. and  
Cost per month:** 600 sq. ft. @ \$0.95/sq. ft./mo. = \$570 rent/month

**Annual Cost:** \$6,840

**% Change  
Over 1989-90:** No change.

**Utilities and Janitor**

**Provided by Lessor:** Water and scavenger service provided.

**Term of Lease:** This space is to be leased on a month-to-month basis commencing July 1, 1990, for a period not to exceed 12 months.

**Source of Funds:** General Fund

**Comments:** The Real Estate Department reports that the terms of these leases are based on fair market value.

**Recommendation:** Approve the proposed resolution.

Item 11 - File 64-90-22

**Department:** Real Estate Department  
Controller's Office, Information Services Division (ISD)

**Item:** Resolution to extend an existing lease of real property

**Location:** 1212 Market Street, portion of 1st floor

**Purpose of Lease:** Office space for ISD's Education Center

**Lessor:** Graham Investment Limited

**No. of Sq. Ft. and Cost/Month:** 1,575 sq. ft. @ \$1.10/sq. ft. = \$1,733/month

**Annual Cost:** \$10,398 for six months, \$20,796 annually

**% Increase Over 1989-90:** No change

**Utilities and Janitor Provided by Lessor:** All except electricity.

**Term of Lease:** Month-to-month not to exceed six months beginning July 1, 1990. Lease requires a 30 day notice to cancel.

**Right of Renewal:** None, since the ISD Education Center plans to move to new rented space, most likely to 1155 Market Street by December 31, 1990. However, the proposed lease can be continued after December 31, 1990 on a month-to-month basis.

**Source of Funds:** Interdepartmental Work Order Funds

**Comments:**

1. Mr. Jerry Romani, Principal Real Property Officer, Real Estate Department, states that the ISD Education Center was planning to transfer to less expensive ISD offices at 1155 Market Street by June 30, 1990. However, lease negotiations have been delayed. The Controller's Office is therefore requesting a lease for six months through December 31, 1990 until a lease for 1155 Market Street or an adjacent office space can be finalized.
2. Mr. Romani of the Real Estate Department reports that the proposed monthly rental of \$1,733 represents the fair market rental of the space proposed to be leased.

**Recommendation:** Approve the proposed resolution.

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Item 1m - File 64-90-23

**Department:** Civil Service Commission  
Department of Real Estate

**Item:** Resolution to authorize the extension of an existing lease for office space at 646 Van Ness Avenue.

**Location:** 646 Van Ness Street

**Purpose of Lease:** Office space for Civil Service Commission staff.

**Lessor:** Taldan Investment Company.

**No. of Sq. Ft. and Cost per month:** 8,421 sq ft @ 1.39/sq. ft./month = \$11,698 per month.

**Annual Cost:** \$140,376

**Term of Lease:** Extension on a month-to-month basis, beginning July 1, 1990, for up to six months.

**Utilities and Janitorial Services Provided by Lessor:** The proposed lease provides that water, gas, and electricity will be paid by Civil Service and building maintenance and scavenger services will be provided by the lessor.

**Source of Funds:** General Fund monies in the 1990-91 Civil Service budget.

**Description:** Currently, the Civil Service Commission rents 8,421 square feet of office space and uses an additional 4,579 square feet of storage space at no extra cost (for a total of 13,000 square feet) at 646 Van Ness. Civil Service uses the 646 Van Ness office space to house the Examination, Classification and Management Development units. The building owner has notified Civil Service that it must vacate the office space at 646 Van Ness by no later than October, 1990.

At its meeting of June 13, 1990, the Finance Committee approved a lease for the Civil Service Commission to rent 27,000 square feet of office space at 44 Gough in order to house the Examination, Classification, Management Development, Salary, Training, and Management Information Systems units. Civil Service plans to move a total of 110 employees over to the new office space.

The proposed lease at 44 Gough would commence July 1, 1990, or as soon as the lessor completes the needed tenant improvements and Civil Service is able to move into the space. During the interim, Civil Service will remain at the 646 Van Ness location and pay rent on the space at the rate of \$11,698 per month or \$140,376 annually, (\$1.39 per square foot for 8,421 square feet) up to a maximum of six months or until the 44 Gough location is ready for occupancy. The Department of Real Estate has reported that the 44 Gough Street office space should be ready for occupancy by August 1, 1990.

**Comments:**

- 1) Mr. Steve Legnitto of the Real Estate Department advises that the proposed rental amount of \$1.39 per square foot for the 646 Van Ness Avenue office space is considered to be the fair market rate for this space.
- 2) Civil Service has budgeted sufficient funds in their 1990-91 budget for the rental of the office space at 44 Gough and for the extension of the lease at 646 Van Ness.

**Recommendation:** Approve the proposed extension of the lease agreement at 646 Van Ness Avenue.

Item 1n - File 64-90-24

**Department:** Real Estate Department  
Police Department

**Item:** Resolution authorizing renewal of a license from the U.S. Department of the Navy for the use of real property by the Police Department.

**Location:** Building 128, Hunters Point Annex

**Purpose:** Temporary storage of confiscated automobiles seized by the Police Department's Narcotics Bureau during forfeiture proceedings.

**Term of License:** One year, commencing on July 1, 1990 or as soon thereafter.

**No. of Sq. Ft. and Cost/Month:** \$1,000 rent per month for approximately 5,000 sq. ft. (\$.20 per sq. ft per month)

**Annual Cost:** \$12,000

**Source of Funds:** Narcotics Forfeiture and Asset Seizure Fund

**% Increase Over 1989-90:** None

**Right of Renewal:** By mutual agreement between the City and the Navy, this license would be subject to renewal on an annual basis. However, any future agreements will also be subject to the Navy's future plans for Hunters Point.

**Comments:**

1. The Police Department currently has a license with the Department of the Navy for approximately 5,000 sq. ft. of warehouse space in Building 128 at Hunter's Point Annex for the storage of confiscated vehicles. Under the proposed license, both the space and the rate per square foot would remain the same.
2. The Real Estate Department has determined that the proposed license is a fair market rental rate.

**Recommendation:** Approve the proposed resolution.

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Item 10 - File 64-90-25

**Departments:** Department of Parking and Traffic  
Real Estate Department

**Item:** Resolution to authorize a new lease for use by the Department of Parking and Traffic.

**Location:** 25 Van Ness Avenue, Suite 410, 880 and 888

**Purpose of Lease:** Office space

**Lessor:** Bay West Landmark Investors

**No. of Sq. Ft. and Cost per Month:** 4,170 sq. ft. @ \$1.47/sq. ft. = \$6,125/month

**Annual Cost:** \$73,500

**% Increase Over 1989-90:** 57%

**Term of Lease:** July 1, 1990 to June 30, 1991

**Right of Renewal:** Annual on approval of funds

**Source of Funds:** Road Fund (primarily Gas Tax)

**Comments:** 1. The Department of Parking and Traffic currently occupies Suite 410 (1,255 sq. ft.) and Suite 888 (665 sq. ft.) at 25 Van Ness Avenue. Under the proposed new lease, the Department would acquire Suite 880 (2,250 sq. ft.). The Department is currently undergoing a reorganization and is in need of additional office space, due to an increase in the level of staff. Currently, 12 departmental staff are housed at 25 Van Ness Avenue. The Department reports that these current staff, who occupy an average of approximately 160 sq. ft. of space per person, are already experiencing overcrowding. The Department advises that seven additional staff (six new hires and one existing staff person) will be housed at 25 Van Ness by July, 1990. In addition, five more staff are scheduled to be hired by September, 1990, bringing the total number of additional staff to be housed at 25 Van Ness Avenue to 12. The eleven new staff to be hired takes into account the Finance Committee reduction of staff positions in the Department of Parking and Traffic's proposed 1990-91 budget.

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2. The Real Estate Department reports that the proposed rental rate reflects the current fair market value.

**Recommendation:** Approve the proposed resolution.

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Item 1p - File 64-90-26

**Department:** Real Estate Department  
Public Utilities Commission (PUC)

**Item:** Resolution authorizing extension of a lease.

**Location:** 100 McAllister Street, Rooms 404, 405, 406 and 409.

**Purpose of Lease:** Office space for the Office of Safety and Health, and the Manager, Bureau of Claims and Contracts.

**Lessor:** University of California, Hastings College of Law

**# of Sq. Ft. and Cost/Month:** July 1, 1990 - December 31, 1990:  
1,859 sq.ft. @ \$1.08/sq.ft./mo. = \$2,000 rent/month

January 1, 1991 - June 30, 1991:  
1,859 sq. ft. @ \$1.15/sq. ft./mo. = \$2,138 rent/month

**Annual Cost:** \$24,828

**% Change from 1989-90:** 38 percent increase.

**Utilities and Janitor Provided by Lessor:** All utilities and janitorial services provided.

**Term of Lease:** This space is to be leased on a month-to-month basis commencing July 1, 1990, until terminated by either party upon thirty (30) days advance written notice.

**Source of Funds:** Public Utilities Commission's operating budget

**Comments:**

1. The Real Estate Department reports that the annual rent has increased by 38 percent because the lessor, University of California, Hastings College of Law, had initially charged the City a below market rent to accommodate the PUC's budget constraint and need to move into the space immediately. The lessor made the concession with the understanding that the rent would be raised to the fair market value this period.
2. The Real Estate Department reports that the proposed rent represents fair market value.

**Recommendation:** Approve the proposed resolution.

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Item 1q - File 146-90-35

**Department:** Department of Public Health (DPH)

**Item:** Resolution to apply for, accept and expend a private grant.

**Amount of Grant:** \$10,000

**Source of Grant:** American Heart Association

**Grant Period:** July 1, 1990 through June 30, 1991

**Project:** Lean to Health

**Description:** The proposed grant would fund contractual services for a new program to promote low-fat diets in the Chinese American community in San Francisco. The program would consist of the production of a 20 to 30-minute bilingual video program in Cantonese and English, a brochure, a workshop for Chinese restaurant chefs, a consumer's workshop and a press luncheon. The DPH would distribute the video tapes and the brochures to such agencies as the Community College, health centers and Chinese family associations.

**Comments:**

1. According to Ms. Lucille Burlew-Lawler of DPH, the DPH's policy regarding grants is to apply for and manage the monies in order to maintain control over the grant projects. However, Ms. Burlew-Lawler states that in this one instance, the DPH has determined that the proposed grant funds could be used more cost-effectively if a separate non-profit organization accepted and managed the grant monies and the grant project, rather than the DPH. The Department therefore no longer wishes to apply for the grant and requests that this item be tabled.
2. According to Ms. Burlew-Lawler, the grant funds have not yet been awarded to the DPH and the grantor does not require the funds to be administered by the City. If the DPH were to apply for the grant funds, Ms. Burlew-Lawler reports that the entire grant amount of \$10,000 would be used for contractual services, with no allowance for City indirect costs.

**Recommendation:** Tabling the proposed resolution as requested by the Department is a policy matter for the Board of Supervisors.

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Item 1r - File 144-90-1

**Department:** Port of San Francisco

**Item:** Resolution authorizing the Port to apply for and accept State and Federal funds.

**Amount:** Up to \$1.3 million.

**Source of Funds:** California Department of Transportation and the Federal Highway Administration

**Grant Period:** Unspecified

**Project  
Description:**

The Port of San Francisco is proposing to apply for funds from the Federal Highway Administration and the California Department of Transportation, in order to improve the San Francisco Ferry Terminal, including Piers 1/2 and 1. The improvements would upgrade the quality of current service and would also accommodate additional passenger service. The daily number of passengers using ferry services prior to the earthquake of October 17, 1989, during the period of the Bay Bridge closure and current usage is as follows:

<u>Number of Passengers</u>	<u>Pre-Quake</u>	<u>Bay Bridge Closed</u>	<u>Current Usage</u>
Marin/Vallejo	6,250	10,500	7,300
East Bay Locations	<u>0</u>	<u>10,500</u>	<u>1,600</u>
Total	6,250	21,000	8,900

The Ferry Terminal improvements planned by the Port include installation of ticketing facilities, queuing/waiting areas, bad weather shelters, lighting and utilities. The Ferry Terminal's existing transportation connections with MUNI and BART transit facilities would be enhanced and sidewalk areas in the general vicinity of the Ferry Building would be improved to accommodate bus stops and passenger drop-off/pick-up areas. New directional and informational signs would be installed (see attached schematic). In addition to these planned improvements, the Port would purchase a ferry float and ramp system (docking facilities). The Port's ownership and management of these ferry docking facilities would, according to the Port, insure that all ferry operators in the Bay would have access to the primary San Francisco Ferry Terminal facilities.

When the improvements to the Ferry Terminal have been completed, the Port would lease landing rights and other uses of the terminal facilities to ferry operators and providers of passenger services (i.e., food services, phones, etc.)

**Estimated Grant  
Budget:**

Site Improvements (Shelters, Ticketing, Drop-offs, etc.)	\$ 537,000
Docking Facilities (Floats, Ramps, Utilities)	225,000
Project Administration	103,000
Contingency	154,000
Loss of Parking Revenues	<u>270,000 *</u>
Total Project	\$1,289,000

\*The project's site improvements would require that the Port terminate several monthly parking leases which currently generate approximately \$135,000 in annual revenues. The Port projects that \$270,000 in parking lease revenues would be lost over the estimated two-year duration of the project. As such, the Port has included the projected revenue loss as a cost of the project.

**Required Local  
Match:**

None

**Indirect Costs:**

None

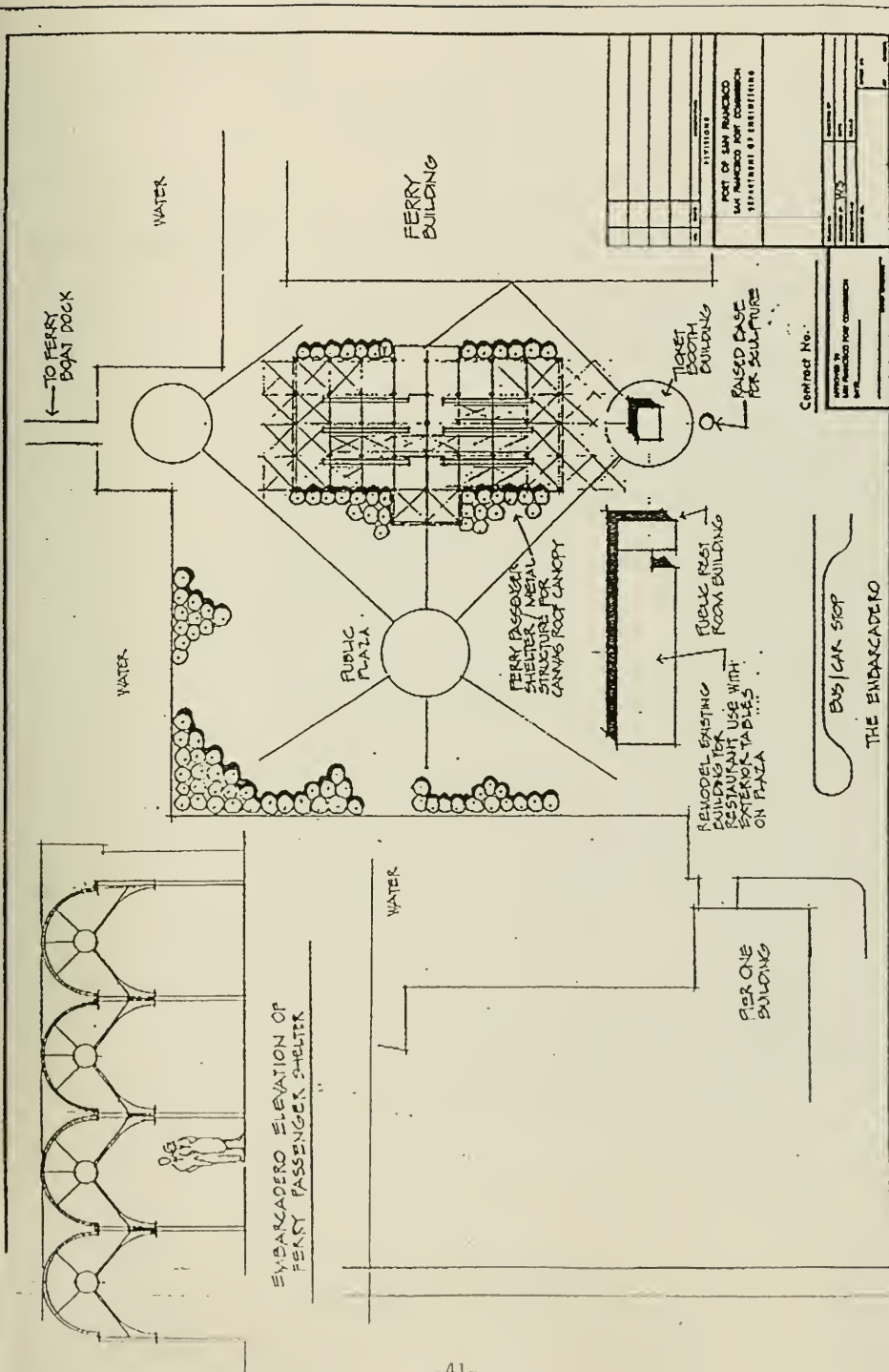
**Comments:**

1. The Board of Supervisors previously approved legislation (File 144-89-2) authorizing the Port to apply for funds from the California Department of Transportation's "Transit Capital Improvement Fund," to fund the Port's Ferry Terminal improvements. Subsequently, that grant application was tabled by the California Transportation Commission, pending the availability of additional funding of the transit improvement programs from which the funds would have been granted. Therefore, the need to seek alternative funding, for the Ferry Terminal improvements, still exists.

2. The Port intended to request authorization to apply for, accept and "expend" State and Federal funds. Therefore, the legislation should be amended to add the clause "to expend".

**Recommendation:** Amend the legislation to add the clause "to expend", and approve the legislation as amended.

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Item 1s - File 101-87-13,12

**Department:** Fire Department

**Item:** Release of Reserve

**Amount:** \$67,517

**Source of Funds:** 1986 Fire Protection Bond Issue Fund

**Description:** In November, 1986, City voters approved the issuance of Fire Protection System Improvement Bonds (Proposition A). Funds from the bond sale in the amount of \$46,200,000 are to be used for the improvement of the City's fire protection system.

In September of 1987, the Board of Supervisors approved the Fire Department's \$29,364,300 supplemental appropriation from the 1986 bond funds for capital improvement projects (File 101-87-13) and placed on reserve \$14,092,300 for the purchase, installation and improvements to the City's high pressure water system, including improvements to pump stations, tanks and reservoirs.

On March 13, 1990, the Fire Department formally declared that an emergency condition existed due to a broken high pressure water system main located on Clay Street between Front and Davis Streets. The Department requested and received authorization from the Board of Supervisors to perform emergency repair work to restore the integrity of the high pressure water system main (File 28-90-7). The Fire Department is now requesting release of \$67,517 of the \$14,092,300 in reserved 1986 bond funds to fund this emergency repair work (Project #609-01). The DPW reports that, due to an administrative oversight, the emergency repair work has not yet started.

**Comments:** 1. According to Mr. Bob Jew of the Department of Public Works, a total of 11 contractors, including three MBE firms, were contacted by telephone and invited to submit bids on the emergency repair work. A total of four bids were received. The four firms which submitted bids, none of which are MBE or WBE, are listed below:

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<u>Firms</u>	<u>Preference</u>	<u>Bids</u>
Uniacke Construction, Inc.	LBE	\$52,680
E. Mitchell, Inc.	LBE	90,000
Stacy & Witbeck, Inc.	LBE	96,000
Ranger Pipelines, Inc.	LBE	97,350

2. Mr. Jew reports that Uniacke Construction, Inc., the lowest bidder at \$52,680, has been selected as the contractor for this project.

3. The proposed request for release of funds totals \$67,517, including contingencies and engineering costs as follows:

Contractor Costs - Uniacke Construction, Inc.	\$52,680
Engineering and Construction (DPW)	9,537
Contingency	<u>5,300</u>
Total	\$67,517

4. Mr. Robert Kenealey of the City Attorney's Office reports that the 1986 Fire Protection Bond Issue Fund can legally be used to fund the emergency repair work on the damaged high pressure water system.

**Recommendation:** Approve the release of reserved funds in the amount of \$67,517.

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Item 1t - File 101-89-152.1

**Department:** Civil Service Commission

**Item:** Request for release of reserve for purchase and installation of telephone equipment.

**Amount:** \$157,590

**Source of Funds:** Reappropriation of General Fund monies previously allocated to permanent salaries.

**Description:** Civil Service requested the above funds to purchase and install telephone equipment at the new office site at 44 Gough Street, the lease of which the Board of Supervisors approved at its meeting of June 18, 1990. The Department furnished the following budget information:

Telephone equipment to be purchased from and installed by ATT:	
105 Telephones	\$16,600
Switching Equipment	52,360
Billing equipment	16,000
Modifications to equipment room	1,645
Networking equipment	6,800
Station wiring (from equipment room to telephone set)	1,431
Data wiring (from equipment room to telephone set)	2,700
Pacific Bell hookup installation	7,400
Installation by ATT	25,703
Taxes	11,361
Contingency	<u>1,000</u>
Subtotal telephone purchase	\$143,000
1 yr warranties for switching and billing equipment and maintenance	\$2,160
Staff training on usage of touch-tone feature telephones	2,000
Installation of eight telephone lines dedicated for computer use	5,590
Estimated charges for installation of a telephone wire conduit from telephone closet to computer data center (work to be done by DPW)	<u>4,840</u>

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Memo to Finance Committee  
June 27, 1990

Subtotal warranties, training, installation costs	14,590
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Total, telephone purchase, warranties, training, and installation	\$157,590
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**Comment:** The Finance Committee reserved the \$157,590 in funds allocated for the purchase and installation of the telephone equipment pending the approval of the lease for 44 Gough Street. At its meeting of June 18, 1990, the Board of Supervisors approved the lease for 44 Gough Street, and therefore the request for release of reserve in the amount of \$157,590 is justified.

**Recommendation:** Approve the request for release of reserve in the amount of \$157,590.

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Item 2 - File 127-90-2

**Note:** This item was continued by the Finance Committee at its meeting of June 20, 1990.

The proposed ordinance would amend Part III, Section 1007 of the San Francisco Municipal Code to impose an annual Business Tax Registration Fee of \$50, a decrease of \$150 annually or 75 percent from the current annual fee of \$200. The current annual fee of \$200 is scheduled to expire effective July 1, 1990.

In July, 1988, the Board of Supervisors approved amendments to the City's Municipal Code (File 127-88-1) to require annual renewal of Business Tax Registration Certificates and the annual payment of a \$200 Business Registration Fee. These provisions apply to all businesses operating in the City and County of San Francisco and to all contractors and vendors providing goods or services to the City. In December, 1988, the Board of Supervisors amended the Municipal Code (File 127-88-1.2) to exempt "small businesses" with annual gross receipts of \$15,000 or less from the \$200 Business Registration Fee.

In November of 1988, the Board of Supervisors appropriated (File 101-88-30) a total of \$859,748 to the Treasurer-Tax Collector for a Business Registration Fee Unit and amended the Annual Salary Ordinance (File 102-88-11) for the creation of 13 positions and for computer equipment costs and other operational-related costs associated with establishing a unit to process, enforce and collect the \$200 annual renewals of Business Tax Registration Certificates and the \$200 Business Registration Fee. The Business Registration Fee Unit was also created to identify businesses located outside of San Francisco that do business in San Francisco and which would be subject to the Business Registration Fee. The Unit has also attempted to identify businesses that are not paying other taxes that are due to the City.

Comments

1. According to Mr. Richard Sullivan of the Tax Collector's Office, the annual \$200 Business Registration Fee is projected to generate \$8 to \$9 million in fiscal year 1989-90. Based on the current annual revenue collection of approximately \$8 to \$9 million for the \$200 Business Registration Fee, it is reasonable to assume that a reduction of the annual fee to \$50 would result in \$2 million to \$2.25 million of annual revenue to the City, or about one-fourth of the current revenues.

2. Mr. Sullivan reports that the Business Registration Fee Unit includes both the Business Tax Unit, responsible for processing new applications for registration, collecting fees and sending out delinquency notices and the Tax Clearance Unit, responsible for identifying businesses not currently registered, firms that are doing business in San Francisco and checking if such businesses owe other City taxes. In addition, there are two positions in the Purchaser's Office that are responsible for insuring that any firm that does business with the City of San Francisco is registered with the City and has paid all applicable taxes.

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According to Mr. Sullivan, the 1989-90 budgeted cost for these staff activities is approximately \$625,000 and including postage and materials and supplies totals approximately \$708,000.

3. Since 1988, when the Board of Supervisors approved the Business Tax Registration Certificates and the \$200 Business Tax Registration Fee, Mr. Sullivan reports that a total of 17,505 new business registrations have been issued. During this same time, the Tax Collector's Office has closed out 14,202 backlogged business registration files for businesses that have closed, gone out of business, no longer owe the City taxes, etc. Together, these two efforts have resulted in 3,303 net new business registrations for the City.

4. The Mayor's proposed budget for fiscal year 1990-91 includes a reduction of the Business Registration Fee from \$200 to \$150 per year. The City's payroll/gross receipts tax is currently 1.6 percent. For 1990-91, this tax is presently scheduled to be 1.5 percent, down from the 1.6 percent in 1989-90. However, businesses can deduct the current \$200 annual Business Tax Registration Fee from the amount of payroll/gross receipts taxes owed. While, the Mayor's proposed budget for 1990-91 reduces the payroll/gross receipts tax from 1.6 percent to 1.5 percent, the Mayor's budget proposes that businesses, which currently pay the payroll/gross receipts taxes no longer be allowed a credit of the proposed annual \$150 registration fee. Based on these proposals, the Mayor's budget includes \$7.4 million of revenues for 1990-91. An ordinance that includes these provisions is currently pending before the Finance Committee of the Board of Supervisors (Item 6 - File 127-90-5).

5. A comparison of the existing ordinance, the Mayor's proposal for fiscal year 1990-91 and the proposed ordinance that is the subject of this legislation, including the amount of revenues to be generated by each, are as follows:

	<u>Annual Registration Fee</u>	<u>Projected Revenues</u>
Current Ordinance	\$200	\$8 to \$9 million
Mayor's Proposed Budget*	\$150	\$7.4 million
Proposed Ordinance (This item)**	\$50	\$2 to \$2.25 million

\* Includes provision that businesses that currently pay the payroll/gross receipts taxes will also pay the proposed \$150 annual Business Tax Registration Fee, without receiving a credit for the payments of that annual fee.

\*\* Credit against payroll/gross receipts taxes is given under the proposed ordinance.



6. According to Mr. Sullivan, if an annual registration fee of \$150 is imposed and no credit is given to businesses which pay the payroll/gross receipts taxes, he estimates a total of \$7.2 million to \$7.5 million would be generated in 1990-91. Mr. Sullivan reports that the same level of staffing and work will be required of the Tax Collector's Office regardless of whether the Business Tax Registration Fee is \$200, \$150 or \$50. In fact, according to Mr. Sullivan, even if there were no Business Tax Registration Fee, most of the costs incurred by the Tax Collector's Office would continue in order to issue the currently required annual registration certificates (separate and apart from the fee collection).

### Recommendation

Establishment of an annual Business Tax Registration Fee of \$50 is a policy decision for the Board of Supervisors. However, as noted above, the Mayor's proposed 1990-91 budget assumes establishment of a Business Tax Registration Fee at the rate of \$150 annually and that businesses which pay the payroll/gross receipts tax no longer be granted a credit for the payment of the Annual Business Tax Registration Fee against their gross receipts or payroll taxes paid to the City. As previously noted, the current \$200 Business Tax Registration Fee expires effective July 1, 1990.





Item 3 - File 82-90-6

**Department:** Real Estate Department

**Item:** Resolution authorizing the sale (quitclaim) of a portion of a City-owned air rights easement over Lot 22 in Block 326 to the owner of the underlying land, and adopting findings pursuant to City Planning Code Section 101.1.

**Description:** Lot 22 is located at 156 Ellis Street and is currently vacant. The owner plans to construct a 3-1/2 story retail/office building. When the vacant land was sold by the City in 1980, the City retained an air rights easement. Construction of the new building beyond a certain elevation requires the sale of a portion of the air rights. The air rights to be conveyed will be used for the installation of two life safety fence guardrails and two stair handrails on the roof of the proposed building. The guardrails will create a path along the rooftop leading to stairs on either side of the building which is needed for fire exits, safety and emergency purposes.

The attachment identifies the proposed construction on the site.

**Comments:**

1. The Department of Public Works has determined the air rights are surplus to municipal purposes.
2. The Department of City Planning has advised that the sale of the air rights is in conformity with the Master Plan and consistent with the eight priority policies of Proposition M.
3. According to John Panieri of the Real Estate Department, the purchase price of \$2,500 represents the fair market value of the air rights. The owner of the property has agreed to purchase the air rights for \$2,500.

**Recommendation:** Approve the proposed resolution.



Item 4 - File 47-90-5

**Department:** Parking Authority

**Item:** Ordinance authorizing execution of agreement in regard to a Park and Ride Demonstration Program and approving and authorizing the execution of a seventh amendment of Golden Gateway Garage Lease.

**Amount:** A rent offset not to exceed \$150,000 for a six month demonstration period.

**Term:** Six months upon final approval of the proposed Ordinance.

**Description:** The new Parking and Traffic Department wants to implement a six month Park and Ride Demonstration Program (shuttle service) at the Golden Gateway Garage in order to address problems of access and parking in the North Beach and Chinatown Neighborhood Commercial Districts. To accomplish this objective, the Parking and Traffic Department desires to enter into an Agreement (Seventh Amendment of Golden Gateway Garage Lease) with Golden Gate Parking Corporation, the current lessee of the Golden Gateway Garage.

The Golden Gate Parking Corporation (GGPC) would provide free validated parking and Park and Ride Shuttle service (between the Golden Gateway Garage and the North Beach and Chinatown Neighborhood Commercial Districts) during specified hours from Thursday through Sunday during a six month demonstration period. During the specified hours, GGPC would not charge for vehicle parking if the operator of the vehicle presents a parking ticket properly validated by a merchant or other business entity participating in the Park and Ride Demonstration Program. The specified hours would be as follows:

Thursday	6 p.m. to 12 midnight*
Friday	6 p.m. to 12 midnight*
Saturday	12 midnight to 2 a.m. 10 a.m. to 12 midnight
Sunday	12 midnight to 2 a.m. 10 a.m. to 10 p.m.

\* Existing hours of operation.

The time periods identified above could be lengthened or shortened by the Director of the Department of Parking and Traffic if required in the Director's judgment in order to

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make the Park and Ride Demonstration Program more effective. GGPC would be required to expand the existing number of hours for garage operation for the proposed shuttle program for an additional thirty (30) hours on the weekend as follows:

Saturdays	12 midnight to 2 a.m.; and 10 a.m. to 12 midnight
Sundays	12 midnight to 2 a.m.; and 10 a.m. to 10 p.m.

The specified hours for shuttle service and the designated transportation equipment would be as follows:

Thursday	6 p.m. to 12 midnight	Motorized cable car
	6 p.m. to 12 midnight	Bus
Friday	6 p.m. to 12 midnight	Motorized cable car
	6 p.m. to 2 a.m.	Bus
Saturday	6 p.m. to 12 midnight	Motorized cable car
	10 a.m. to 6 p.m.	Two buses
	6 p.m. to 2 a.m.	Bus
Sunday	10 a.m. to 6 p.m.	Two buses
	6 p.m. to 10 p.m.	Bus

To promote the Park and Ride Demonstration Program, GGPC would provide marketing, advertising, public information and promotion services at their own initial expense but subject to the approval of the Director of the Department of Parking and Traffic. GGPC would receive a rent offset on the existing lease equal to GGPC's related documented costs to provide the Park and Ride Demonstration Program. The rent offset could not exceed \$150,000 for the six month demonstration period. It can be expected, however, that initial start-up costs would require that a disproportional amount of the \$150,000 off-set would be needed during the initial months of the program. Under these circumstances, more than \$25,000 per month would be needed during the first part of the demonstration program and less than \$25,000 per month would be needed to complete the six month program.

The Park and Ride Demonstration Program would provide a free shuttle service with alternating motorized cable car and shuttle bus vehicles departing every twelve (12) minutes from the north side of the Golden Gateway Garage on Washington Street. The transit vehicles would proceed west on Washington Street to Kearny Street, then north on Kearny Street to Columbus Avenue, then northwest on Columbus Avenue to Stockton Street, then east on Stockton Street to

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Union Street, then north on Union Street Street to its final stop at Washington Square. The shuttle vehicle would then return to the Golden Gateway Garage via Union Street, Columbus Avenue, Jackson Street, Drumm Street and Washington Street. Shuttle operators would keep passenger counts by mode (Motorized cable car vs. shuttle bus), trip, time of day and place of boarding and exiting.

The proposed method of validation calls for a patron to park at Golden Gateway Garage, obtain a parking ticket and secure validation at a participating place of business in Chinatown or North Beach. Possession of a ticket would allow a patron to ride the shuttle bus or motorized cable car in either direction. Surrender of the ticket with evidence of validation to the garage attendant at the time of departure would allow motorists to leave without payment of parking charges. Validation of tickets would only be done by participating businesses in the Chinatown and North Beach commercial areas which are at least one-half mile distance from the Golden Gateway garage.

Cost projections for the six month Park and Ride Demonstration Program are as follows:

<u>Description</u>	<u>Cost</u>
Garage Operation (30 additional hours/week x 4.5 wks = 135 hrs/month x \$45.869 per hour x 6 months)	\$37,152
Shuttle Service	
Motorized Cable Cars	
18 hrs/wk x 4.5 = 81 hrs/mo. x \$70.00/hour x 6 months	\$33,900
Shuttle Bus	
58 hrs/wk x 4.5 = 261 hrs/mo. x \$37.00/hour x 6 months	<u>57,942</u>
Subtotal	91,842
Marketing and Promotions	
Graphics and artwork, printing and reproduction, postage, paid advertisements signage and miscellaneous	15,000
Contingency	<u>6,006</u>
Total	\$150,000

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According to the Parking Authority, various key components of the Park and Ride Demonstration Program would be evaluated to determine whether to continue the program after six months. Continuation of the program would depend on neighborhood and merchant support. Mr. Phil Chin of the Parking Authority advises that representatives of North Beach and Chinatown merchant organizations have been actively involved in the design and planning of this program and have indicated strong support for it. Mr. Chin advises that merchant financial participation will be addressed as part of the evaluation during the period of the six month demonstration. Presently, the City would only bear the indicated costs of the program during the current six month trial period.

**Comments:**

1. The Golden Gateway Garage contains approximately 2,000 parking spaces and was originally constructed as part of the Golden Gateway Redevelopment Project during the 1960s. The Golden Gateway Garage is currently under a five-year lease with the Golden Gate Parking Company from August 1, 1986 to July 31, 1991.
2. The Golden Gate Parking Company pays 80.674 percent of gross receipts (less the parking tax amount) as a monthly payment to the City, with a minimum required monthly payment of \$75,000. According to the Real Estate Department, over the past six months the average monthly payment to the City has been \$184,830, an amount substantially above the minimum monthly payment of \$75,000.
3. According to Mr. Chin of the Parking Authority and Mr. Harry Quinn of the Real Estate Department, the proposed Park and Ride Demonstration Program would affect neither the revenues received for the parking tax nor the gross receipts payments other than the proposed \$150,000 cost to set-up and operate the proposed demonstration for a six-month period.

**Recommendation:** The proposed ordinance to establish a six-month Park and Ride Demonstration Program is a policy matter for the Board of Supervisors.

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Item 5 - File 170-90-7

**Proposed Action:**

The proposed resolution would determine and declare the public interest and necessity for a General Obligation (GO) bond issuance for the acquisition, construction or reconstruction of the City's existing Youth Guidance Center.

**Amount:**

\$76,900,000

**Description:**

The proposed GO bond issue would be placed on the ballot of the November, 1990 election. Adoption of the proposed resolution is required prior to passage of any ordinance submitting a bond issue to the voters of San Francisco.

According to a May 16, 1990 Department of Public Works Bond Program Report on "A New Youth Guidance Center", the City's current Youth Guidance Center (YGC) includes the Juvenile Court, Juvenile Probation Department and related offices of the Department of Public Health, Unified School District's Woodside Learning Center, Sheriff's Department, District Attorney, Public Defender, City Attorney and Department of Social Services. YGC is 40 years old, inflexibly designed and in poor condition. As a result, although many of the YGC agencies have outgrown their available space, expansion and rehabilitation of this outdated facility is costly and infeasible.

The proposed \$76.9 million bond issue would be used to fund the design and construction of a new Youth Guidance Center facility, which would be developed in accordance with the standards of the California Youth Authority and the American Correctional Association, including the program goals of the City's juvenile justice plan. The proposed Youth Guidance Center would more efficiently connect the Court, Probation Department and other youth facilities, including a 72-bed residential detention facility, arranged in four non-traditional living units.

The proposed detention facility of 72 beds is based on a change in detention policy to reduce the use of secure detention from the average daily population of approximately 123. The proposed detention policy changes include more efficient processing, an expanded home detention program and a greater use of group homes. According to the Bond Program Report, these

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policy changes will be further evaluated before the new facility is designed and should not require significant new public funds over the existing funds being expended (However, see Comments No. 2 and 4 below).

The Bond Program Report identifies two basic facility alternatives:

(1) development at a new site, which includes a projected scheduled completion by late 1997 at an estimated cost of \$75,308,745 and

(2) development on the existing site, which includes a projected scheduled completion by mid-1998 at an estimated cost of \$76,875,015.

Attachment I includes the costs for each of these alternatives, as contained in the Bond Program Report.

In terms of operating costs, the Bond Program Report states that although such costs have not been quantified, maintenance and operational costs should be substantially lower than in the present facility, because it would not require the costly annual maintenance and deferred improvements. If the proposed detention policy changes are implemented, there should also be savings relative to the reduction in the number of beds.

**Comments:**

1. The Capital Improvement Advisory Committee (CIAC) has met with Juvenile Probation Department staff and reviewed the proposed YGC General Obligation bond measure. Based on several assumptions and conditions, the CIAC is recommending approval of the proposed bond measure on the existing site in the amount of \$71.8 million, or \$5.1 less than the currently proposed \$76.9 million bond measure.

2. The two basic assumptions that the CIAC has outlined are: (1) that the construction of an entirely new facility is more cost effective than rehabilitation of all or a portion of the existing facility and (2) that the Department will be successful in significantly reducing the population of the facility. The CIAC, however, notes that the Board of Supervisors should understand that the reduction in the population at YGC, as proposed in the new facility, depends on the development of community based alternatives and programs. Such alternatives and programs will require General Fund appropriations, the specific costs of which have not been identified.

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3. Ms. Judy Hogan of the Juvenile Probation Department reports that regarding the proposed reduction in the beds required for the new YGC facility, an analysis was conducted which indicates that various programs, if fully implemented, would result in a total bed savings of approximately 61 beds. Based on the average daily population in 1989 of 123 in juvenile hall, a reduction of 61 beds would leave a remaining juvenile hall requirement of 62 beds. A margin of ten additional beds, for a total of a proposed 72-bed facility, is included for fluctuations. The analyses of these alternatives as presented to the CIAC on June 18, 1990, are included on Attachment II.

4. Mr. Phil Kern of Jefferson Associates, the consultant on the proposed project, reports that, in general, the new facility and related programs would result in an estimated 15 additional net staff and would cost approximately \$550,000 annually.

5. The three basic conditions that the CIAC has outlined are that:

(a) The new facility be built on the existing YGC site  
Although the Juvenile Probation Department and the Bond Program Report identified the existing site and a new site as possible alternatives, the CIAC believes that the land acquisition cost of \$21.7 million for a new 12-acre site are significantly understated according to the Real Estate Department, and that the time, difficulty and public process required to secure such a site are underestimated in the Bond Program Report.

(b) The project schedule be reduced by one year  
The CIAC states that the design work could begin in 1992, rather than waiting until 1993, thus reducing the time and costs for the proposed project.

(c) The Departmental disruption costs be reduced  
The CIAC reviewed the Department's \$5,920,000 estimate of costs for relocating existing functions caused by on-site construction and have reduced this estimate to \$3,215,055. These relocation and disruption expenses are for leasing temporary trailers (classrooms, school, DSS, medical and legal offices and courtrooms) contractual food and laundry services, record storage, additional bailiffs for security and direct moving expenses, including contingencies.

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6. Based on the CIAC recommendations, a breakdown of costs for the proposed new Youth Guidance Center on the existing site are as follows:

Legal and Financial Services	\$250,000
Planning and Environmental Services	378,000
EIR Fees	67,050
Construction (Escalated to October, 1995)	48,642,325
Project Contingency (15 percent)	7,296,350
Project Control*	10,507,045
Art Enrichment (two percent)	814,930
Departmental Coordination**	615,900
Departmental Disruption	<u>3,215,055</u>
Total	\$71,786,655

\*Project Control includes the design consulting services, design administration, plan check and building permit fees, miscellaneous testing and inspection and construction management and administration.

\*\*Departmental Coordination represents the cost for one full-time Director-level staff position for coordinating the project at an estimated annual cost in 1990-91 of \$76,000, escalated at five percent per year from October, 1990 through June, 1997.

7. CIAC reports that the Director of the Department of Public Works has indicated that the construction and related construction estimates for the bond proposal are accurate and complete based on all available engineering and architectural data.

8. Mr. Peter Miller of the CAO's Office reports that assuming a 20-year bond issuance and an average interest rate of 7.5 percent on the CIAC's revised estimate of a \$71.8 million bond measure, the annual debt service would be approximately \$7.042 million. According to Mr. Miller, it is anticipated that two bond issuances would be released, one issuance in 1991 for \$8.2 million for planning and design expenses and one issuance in 1994 for \$63.6 million for construction expenses. This would result in a maximum increase in 1994 of \$0.0114 (1.14 cents) on the property tax rate from the proposed bond measure. A person owning a house in San Francisco with an assessed value of \$265,000 would receive increased property taxes of approximately \$4 per year between 1991 and 1994, at which time the property taxes would increase to approximately \$29 per

year, and then would decline in subsequent years to approximately \$22 by the year 2000.

8. The City and County of San Francisco does not have a separate procedure for the issuance of General Obligation bonds. Rather, the City adopts the general law of the State of California. The State General Obligation Bond Law requires a resolution of public convenience and necessity be adopted by a two-thirds vote of the Board of Supervisors. If the proposed resolution is approved by a two-thirds vote of the Board of Supervisors, the City Attorney's Office will prepare an ordinance to submit the proposed bond issue to the voters.

9. Mr. Robert Kenealey of the City Attorney's Office reports that an Amendment of the Whole will be introduced at the June 27, 1990 Finance Committee Meeting to include language stating that the "construction or" reconstruction of the Youth Guidance Center...to be added to both the title and text of the proposed resolution.

**Recommendations:**

1. Approval of the acquisition, construction and reconstruction of the Youth Guidance Center at an estimated cost of \$76.9 million is a policy matter for the Board of Supervisors.

2. If the Board of Supervisors approves the proposed legislation, the Board of Supervisors should reduce the amount of the proposed bond issue to \$71,800,000, based on the recommendations of the CIAC. The Board should also approve the Amendment of the Whole.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Project  
Cost  
Plan —  
New Site Development  
(page one of two)

Item		Cost
Legal & Financial Services		\$ 250,000
Planning & Environmental Services		\$ 330,000
Environmental Review Fees		\$ 62,275
Site Acquisition	12 Acres	\$21,720,060
Escalated to Acquisition Date		
- January, 1994		
Construction		\$38,304,320
Escalated to Mid-Construction		
- October, 1996		
<i>Buildings</i>	<i>Sq. Ft.</i>	<i>Cost</i>
Court Building	20,480	\$ 5,259,635
Courts/Cty Clerk/JJC	10,800	
District Attorney	1,900	
Public Defender	2,650	
City Attorney	3,060	
Dept. of Soc. Services	2,070	
Administration Building	19,445	\$ 4,115,755
Juvenile Probation		
Administration	9,075	
Probation Services	10,370	
School	4,300	\$ 962,285
Medical Services	10,640	\$ 2,371,460
Food Services	3,665	\$ 1,177,695
Support Services	5,550	\$ 1,308,355

**Project**  
**Cost**  
**Plan —**  
**New Site Development**  
(page two of two)

<i>Item</i>	<i>Cost</i>	
<b>Construction (cont.)</b>		
<i>Buildings</i>	<i>Sq. Ft.</i>	<i>Cost</i>
Receiving Unit	4,980	\$ 1,600,925
Coed Residential Units	15,300	\$ 4,647,215
High Sec. Residence	3,950	
Med. Sec. Residence 1	3,950	
Med. Sec. Residence 2	3,950	
Min. Sec. Residence	3,450	
Indoor Recreation	<u>10,135</u>	<u>\$ 2,616,795</u>
Interior Circulation	40,916	\$ 6,863,210
Buildings Total	<u>135,411</u>	<u>\$ 30,923,330</u>
Outdoor Recreation	<u>87,600</u>	<u>\$ 1,644,185</u>
Site Work	259,101	\$ 5,736,805
Total Construction	482,112	\$ 38,304,320
<b>Construction &amp; Project Contingencies - 15%</b>		<b>\$5,745,650</b>
<b>Project Control</b>		<b>\$7,635,840</b>
Design Consulting Svces.;		
Plan Check & Bldg. Permit Fees;		
Misc. Testing & Inspection,		
Construction Administration		
<b>Departmental Coordination</b>		<b>\$ 560,600</b>
<b>Relocation</b>		<b>\$ 700,000</b>
<b>Total Project Cost —Development at a New Site</b>		<b><u>\$75,308,745</u></b>



**Project  
Cost  
Plan —  
Redevelopment of  
Existing Site**

<b>Item</b>		<b>Cost</b>
<b>Legal &amp; Financial Services</b>		<b>\$250,000</b>
<b>Planning &amp; Environmental Services</b>		<b>\$315,000</b>
<b>Environmental Review Fees</b>		<b>\$ 68,005</b>
<b>Construction</b>		<b>\$51,041,980</b>
Escalated to Mid-construction - October, 1996		
<i>Buildings/Sitework/</i>		
<i>Outdoor Recreation</i>	<i>Sq. Ft.</i>	<i>Cost</i>
Same Program as New Site Option	482,112	\$38,304,320
<i>Demolition</i>		
Buildings Removal	200,000	\$ 2,754,430
Asbestos Removal	200,000	\$ 4,237,585
Demolition Total		<u>\$ 6,992,015</u>
<i>Phasing</i>		
Construction Staging		\$ 3,830,430
Difficult Site Conditions		\$ 1,915,215
Phasing Total		<u>\$ 5,745,645</u>
Total Construction Cost		\$51,041,980
<b>Construction &amp; Project Contingencies - 15%</b>		<b>\$ 7,656,300</b>
<b>Project Control</b>		<b>\$10,974,030</b>
Design Consulting Services.;		
Plan Check & Bldg. Permit Fees;		
Misc. Testing & Inspection,		
Construction Administration		
Departmental Coordination		\$ 649,700
Departmental Disruption		\$ 5,920,000
<b>Total Project Cost — Redevelopment at Existing Site</b>		<b><u>\$76,875,015</u></b>

CITY AND COUNTY OF SAN FRANCISCO  
DEPARTMENT OF JUVENILE PROBATIONPresentation to Capital Improvements Advisory Committee  
Regarding Master Bond  
June 18, 1990

## Subject: Bed Reduction Forecast

The department's projection of the feasibility of a juvenile hall with a bed size of 72 is based on the implementation of programs and policies which will reduce the use of juvenile hall for some categories of youth for whom the hall is currently being used. Programs to be put into effect in order to keep the bed space down consist of:

1. Faster release on youth who score 0-9 on the detention scale.

This group is mostly composed of those whose override reason is parents cannot be located or parents refuse to take custody of their child. The process can be speeded up by: A. Staffing a neighborhood intake center where these youth would be taken. Staff there would either take youth home or counsel family at the center so that minor could return home. B. Staffing the current coverage of PO intake on nights and weekends to include staff for driving to a minor's home and/or providing counseling to enable a youth to return home.

The NCCD study showed we are currently using 7 beds for this group. By cutting time in custody in half, we would save 3.2 beds.

2. Revising risk criteria scale so that fewer youth would score ten, thereby increasing those who would be immediately released. This requires no new staff, can still protect the community, and will save 3.0 beds. This policy change has been started with one modification of the screening form, more will follow after further assessment.

3. Decreasing the number of youth eleven and under detained in juvenile hall. Options to juvenile hall for the population must be bolstered. For example, DSS and mental health working together to offer services that can maintain this group, and intensive in home services to bolster the frequently dysfunctional families of this group. (The Robert Wood Johnson grant will assist in all these.)

These programs are being investigated and analyzed. At this point, no amount can be placed either monetarily or staff-wise.

The projected bed saving for this program is 1.3 beds.

4. Not detaining in juvenile hall youth who are 18. This involves a policy change. No fiscal or staff resources needed. There is a problem in that the department cannot do it alone. The judiciary must agree that this is an appropriate policy. As the judiciary changes every few years, there may be problems long range.

If a 50% reduction is achieved, 3.2 beds are saved.

Juvenile Probation Department  
Presentation Capital Improvements Advisory Committee re Master Bond  
June 18, 1990 page 2

5. Decreasing the length of stay of youth brought in on warrants. This involves a policy decision to quickly evaluate each admission on a warrant assess the situation, and begin plans for the ultimate disposition, speeding up the process.

By reducing the average length of stay on this group, 13 beds could be saved.

6. Increase use of home detention to have 40 on home detention at any given time. In the fiscal year 90-91, there are funds for continuing the contract for community based home detention services as well as increasing the probation staff so that one full time person can be devoted to home detention,

Twenty-eight beds will be saved through this program.

7. Decrease the length of stay of youth in juvenile hall awaiting placement or re-placement. Effective January, 1990 we are using beds in the community for youth awaiting placement and there are funds in FY 90-91 budget for this.

By reducing average post-dispositional stay from 22 to 10 days, there would be a bed savings of 5.7 beds.

8. Decrease length of stay of youth waiting transfer to LCRS. This involves policy and procedure work with the department of health to speed up the medical clearance procedure. This has already begun, with improvement noticed.

By reducing the average post dispositional stay from 9.8 days to 2 days, there is a bed savings of 2.7.

9. Eliminate committing minors to post dispositional time in juvenile hall. This would need to be a policy of the judiciary. The probation department has already made that decision and juvenile hall no longer has a post-dispositional commitment program.

The projected bed savings by completely eliminating commitments is one bed.

10. Reduce number of youth admitted and time in custody on youth admitted for probation violations. There are a number of youth admitted for probation violation who do not stay in custody through a disposition. These appear to be cases of probations officers and/or parents using juvenile hall custody as a control mechanism. By creating an enhanced community service program (to be created in FY 90-91 due to an increase of one probation officer) and using community based organizations to greater effect (to be accomplished with the addition of a position of community service director in FY 90-91), options other than custody time will be available. Proposed bed savings are 3 beds.

Youth admitted for probation violations who stay in custody usually end up going out of the home. By careful pre-analysis, the plans for these youth can be speeded up, reducing the number of beds needed. This program has a projected bed savings of 1.9 beds.

Juvenile Probation Department  
Presentation Capital Improvements Advisory Committee re Master Bond  
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The total number of beds saved through implementation of these programs is projected at 66. Adjusting for overlap in types of youth, a bed savings of 61 is projected. In 1989 the average daily population in juvenile hall was 123. Allowing for the decrease of 66, leaves us with 62 beds for those we are currently detaining. A margin of ten is left for fluctuation.

Some of these programs; e.g., normally not detaining those 18 and older, eliminating post dispositional commitments to juvenile hall, decreasing time in custody of probation violators, are almost completely in the control of the judiciary. There can be no guarantee that changing judicial members will follow through with these space-saving policies. However, the other programs that are primarily within the control of the probation department were looked at conservatively, so there is room for modification if the judiciary were not to support the proposed policy changes.

Funding from the City for programs already in place and staffing levels already in place are assumed to be continued. If the City were to cut back funding, the department would need to deploy its resources in order to maintain a level of custody to fall within the bedspace available.

As indicated under each listing a number of these programs are either already in effect or in the planning stages. With the exception of the program for keeping the younger youth out of juvenile hall, the other programs could all be in place within six to nine months.

The basic policy and goals of the department are moving to a direction of assessment and services. Upon referral of a youth to the juvenile probation department, a multi-agency assessment team would become involved in order to assess the family. It is felt that only by having a thorough evaluation of the needs of the family can proper plans and recommendations be made on plans for the individual youth appearing before the probation department. This benefits not only in the planning stage, but also for strengthening the family so that a constructive, viable return home of a particular youth can be recommended. Once through assessments are made, appropriate referral and intervention services can be brokered for individual members of the family as needed. Although not counted in actual bed savings, this new direction should provide services that will cut down on the need for detention services.



Item 6 - File 146-90-44

**Department:** Department of Public Health (DPH), Community Substance Abuse Services (CSAS)

**Item:** Resolution to apply for, accept and expend a State grant.

**Amount of Grant:** \$385,797

**Source of Grant:** State Department of Alcohol and Drug Programs

**Grant Period:** April 15, 1990 through June 30, 1990

**Project:** Early Start-Up Funds for Various Community Substance Abuse Programs

**Description:** The proposed grant would provide funds for various existing Community Substance Abuse programs to purchase equipment and supplies needed to start the next (1990-91) fiscal year. The State makes these funds available to county substance abuse programs at the end of the fiscal year based on the availability of surplus 1989-90 State funds. The DPH proposes to use the funds for purchases of equipment for the City-operated Tom Smith Substance Abuse Treatment Center and the new Pierce Arrow and South of Market substance abuse treatment facilities; and for contractual services at the Haight Ashbury Free Medical Clinic and Walden House.

The DPH reports that these grant funds must be expended by June 30, 1990 or be returned to the State.

**No. of Persons to be Served:** Approximately 7,500 persons

**Grant Budget:**

City-Operated Programs

Tom Smith Substance Abuse Treatment Center

Purchase of 50 new beds and sleeping cubicles to replace existing 15-year-old furnishings and to provide beds for a new homeless detoxification programs at the Pierce Arrow and South of Market Facilities (see below).

50 beds @ \$300/bed (38 beds @ Tom Smith and 6 beds each at Pierce Arrow and South of Market)	\$15,000	
25 modular sleeping cubicles @ \$1,000 per module	<u>25,000</u>	
Subtotal Tom Smith Center		\$40,000

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Pierce Arrow and South of Market Facilities

Start-up equipment and personnel for the alcohol and drug abuse intervention services for the two new multi-service homeless shelters (Pierce Arrow and South of Market).

Personnel

Reimbursement of General Fund monies for a total of approximately 704 hours @ approximately \$21.31 per hour for two existing CSAS staff that have been working at the two facilities during May and June of 1990.

\$15,000

Equipment

4 modular office cubicles @ \$2,500 each

10,000

Subtotal

\$25,000

CSAS Administration

Purchase of two mini-vans and two mid-size automobiles for patient transportation and other CSAS travel.

Two mini-vans @ \$17,500 each

35,000

Two mid-size autos @ \$15,500 each

31,000

Subtotal CSAS Administration

66,000

SFGH Ward 93 Renovations

Minor renovations to improve confidential counseling space for cocaine treatment services. The DPH reports that these improvements have already been performed by Department of Public Works, in anticipation of receipt of the proposed grant funds.

22,000

Subtotal City-Operated Programs

\$153,000

Contractual Services

Haight Ashbury Free Medical Clinics

30,000

Funding for additional evaluation and consultation services for female addicts, development of a residential substance abuse treatment program in the Mission District, and increased training to service providers on such issues as crack cocaine, implementation assistance and other specialized interventions.



Walden House

\$202,797

Reimbursement of General Fund monies for the purchase of kitchen equipment, life-safety equipment and supplies needed for a new 90-bed residential substance abuse treatment facility which was established with separate State grant funds but is now operated with General Fund monies.

Subtotal Contractual Services

\$232,797

Total Proposed Grant Funds

\$385,797

**Indirect Costs:** None

**Required Match:** None

**Comments:** 1. According to Dr. Wayne Clark of CSAS, the State notified the DPH of the availability of funds from the proposed grant in April of 1990. Therefore, the DPH is requesting that a portion of the funds be used for expenses, such as the personnel time at Pierce Arrow and South of Market facilities and the renovations at SFGH Ward 93, which have already been incurred in anticipation of receipt of the proposed grant funds. Therefore, the proposed resolution should be amended to ratify actions previously taken.

2. Attached is the "Health Commission-Summary of Grant Request" prepared by DPH for this State grant.

**Recommendation:** Amend the proposed resolution to ratify actions previously taken, and approve as amended.

Item No.                      **Health Commission - Summary of Grant Request** Rev. 4/10/90  
State of California Mental Health,  
 Grantor Dept. of Alcohol and Drug Programs Substance Abuse & Forensic Serv.  
 Contact Person Elena Valencia Section COMMUNITY SUBSTANCE ABUSE SERVICES  
 Address 444 N. 3rd St., Ste. 310 Contact Person Wayne Clark, Ph.D.  
Sacramento CA 95814 Telephone 255-3500  
 Amount Requested \$ 385,797 Application Deadline April 25, 1990  
 Term: From 4/15/90 To 6/30/90 Notification Expected May 18, 1990  
 Health Commission 6/5/90 Board of Supervisors: Finance Committee                       
Full Board                     

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a)  
 (Circle appropriate words) grant in the amount of \$ 385,797 from the period of 4/15/90 to 6/30/90  
 to provide one-time equipment purchase for early start-up program services.

II. Summary: (Context/history; need addressed; number + groups served; services and providers)

Federal "war on drugs" funds must be allocated for the current fiscal year as soon as they are available. The State of Calif. DADP has allocated \$385,797 of these funds to CSAS which must be expended by 6/30/90. Any unexpended funds must be returned to the State. The State will then redistribute unexpended funds to other counties based on equity. Please refer to the attached copy of the letter to Ms. Elena Valencia

III. Outcomes/Objectives: which identifies proposed expenditures with these "early start-up

CSAS will purchase equipment and supplies which are needed by various substance abuse treatment agencies to provide services. (Any equipment purchases remain the property of the City.) Also, a feasibility study for residential treatment services in the Mississ District will be conducted. Please refer to the attached letter for more specific info.

IV. Effects of Reduction or Termination of These Funds:

Failure to approve acceptance and expenditure of these funds would result in the City's loss of them to other counties in California based on equity. This could affect the potential receipt of such funds in the future and weaken the City's ability to compete for funds.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	N/A	N/A	385,797			
Personnel			15,000			
Equipment			116,000			
* Contract Svc.			232,797			
Mat. & Supp.			-0-			
Facilities/Space			22,000			
Other			-0-			
Indirect Costs			-0-			

VI. Data Processing

(costs included above)

VII. Personnel

F/T CSC			
P/T CSC			2.5
Contractual			4.0

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:  
 Not applicable.

Will grant funded employees be retained after this grant terminates? If so, How?

No.

\*VIII. Contractual Services: Open Bid                      Sole Source X (if sole source, attach Request for Exemption Form)

## City and County of San Francisco


 Department of Public Health  
 Division of Mental Health,  
 Substance Abuse and Forensic Services  
 Community Substance Abuse Services

May 18, 1990

Elena Valencia  
 Program Analyst, Drug Programs  
 Dept. of Alcohol & Drug Programs  
 444 North Third Street, Suite 310  
 Sacramento, CA 95814

Dear Elena:

Enclosed are the revised requests for early start-up costs for projects proposed by the City and County of San Francisco, if approved we will amend the budget accordingly.

Agency/Program	Purpose	Total
<b>A. City &amp; County</b>		
TSSATC/Multi-Ser. Ctrs	Beds, Equip	\$ 40,000
Pierce Arrow/S. of Market	Equip	\$ 10,000
Pierce Arrow S. of Market	Staff	\$ 15,000
Transportation	4 Vehicles	\$ 66,000
SFGH/UCSF	Renovations	\$ 22,000
<b>B. HAFMC</b>		
HAFMC	Smith/Evaluations	\$ 10,000
HAFMC	Mission/Consultants	\$ 15,000
HAFMC	Provider Training	\$ 5,000
Total/Non Ren		\$183,000
<b>C. Walden</b>		
890 Hayes	(Equipment)	\$202,797
Total Early Start up		\$385,797*

\*all but \$54,507 of these funds are drug funds, the City purchases will utilize the expenditure of the Alcohol funds.

City and County expenditures are purchases for equipment and renovations of property owned by the County. Specific programs include:

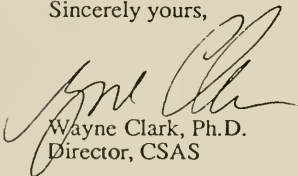
- A. TSSATC is a City & County operated residential treatment program providing services to male and female alcoholics and drug addicts. This request is to purchase 50 new beds, sleeping cubicles, and other furnishings for this and one other city operated facility. The specific equipment requested are to (a) replace furnishings purchased over 15 years ago; and (b) purchase new beds for the soon to be opened homeless detox program. Due to the short timeframe, the line item requests are based on estimates, final bids will be received within the next 30 days. Attached please find DADP form 5100F.
- A. The City and County is opening two multi-service homeless shelters (Pierce Arrow & South of Market) which are to include substance abuse staff and detoxification capability. This is a request to provide start up equipment and personnel for the alcohol

and drug abuse intervention portion of these new centers. Attached please find DADP form 5100F.

- A. Transportation of clients to programs is often a barrier to service or a potential gap between services. Vehicles are requested for patient transportation and other CSAS travel. This is a request to purchase two vans and two mid-size automobiles for CSAS transportation(Attached please find DADP form 5100F)..
- A. The City owned property at San Francisco General Hospital's, Ward 93 needs minor renovations to improve confidential counseling space. This space is used by a joint UCSF/City drug treatment agency and the new funds will purchase the renovations needed.
- B. HAFMC is requesting one time funding to provide additional evaluation and consultation to serve female addicts at Smith House - a women's residential detoxification program(total \$10,000). Consultation services will be provided for the development of a residential substance abuse treatment program in the Mission District of San Francisco. We are requesting the consultation from a team of grant developers, community organizers and grant writers to provide a feasibility study and grant proposal. Total hours requested will be 300 at fifty dollars per hour(\$15,000). Also the HAFMC will increase training(@\$5,000) to providers for issues such as co-morbidity, crack training, implementation assistance, and other specialized interventions.
- C. Walden House is expanding its residential capacity through Waiting List Reduction Grant funds. This is a request to use these funds for the purchase of supplies and equipment needed for a new 90 bed facility. Such items would include kitchen equipment, dining supplies, beddings, educational supplies, etc.(Attached please find DADP form 5100F).

Thank you for your consideration in this matter.

Sincerely yours,



Wayne Clark, Ph.D.  
Director, CSAS

cc: Sue Blacksher  
James Loyce  
John Wilson

WC:lv  
enc.

Item 7 - File 170-90-10

**Proposed Action:** The proposed resolution would determine and declare the public interest and necessity for a General Obligation (GO) bond issuance for the acquisition, construction or reconstruction of the City's Jail facilities to be funded partially from State grants and partially from the proposed General Obligation bonds as matching funds.

**Amount:** \$24,000,000

**Description:** The proposed GO bond issue would be placed on the ballot of the November, 1990 election. Adoption of the proposed resolution is required prior to passage of any ordinance submitting a bond issue to the voters of San Francisco.

According to the June 25, 1990 Department of Public Works Adult Correctional System Capital Improvement and Expansion Bond Program Report, the proposed \$24 million bond measure would finance the City's contribution toward the completion of the capital improvements approved by the Board of Supervisors on January 8, 1990 (File 195-90-1). The proposed capital improvements and expansion would address many of the current problems in the City's adult detention system, such as the federal consent decree, overcrowding, inadequate medical and psychiatric treatment and housing facilities, lack of adequate jail alternatives and an old, inefficient and decaying infrastructure. Specifically, the proposed \$24 million bond measure would provide fire and life safety improvements in the existing jails, a new Sheriff's Facility containing booking, medical and psychiatric housing (approximately 80 beds) and treatment space, work furlough housing (approximately 320 beds) and program space and a new services building for the San Bruno Detention Complex, providing a new utilities center (heating plant, electric service, etc.) as well as a centralized kitchen and laundry.

The remaining financing for the proposed bond measure would come from State bond measures, Propositions 52 and 86. State Proposition 52, approved by the voters in 1986 is projected to result in \$22.5 million for San Francisco and Proposition 86, approved by the voters in 1989 is projected to result in \$17 million for San Francisco, for a total of \$39.5 million of State funds. Both of these State Propositions provide for State bond funds to finance the construction and improvement of local adult correctional facilities. All architectural and engineering fees, environmental review

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



costs, construction management and other non-construction costs associated with the proposed project are to be funded by the City. As required by the State Board of Corrections, to qualify for these State funds requires local matching funds of 25 percent and any State ineligible costs must be funded from local revenue sources.

Although San Francisco had initially intended to provide the City's local contribution from the General Fund, due to the earthquake, drought and current financial constraints in the City, it is no longer possible for the City's General Fund to contribute the required funds, resulting in the need for the issuance of the proposed bond measure.

The previously approved resolution (File 195-90-1) addressed the siting of the proposed new work furlough project and a jail medical/psychiatric facility project to be funded with Proposition 52 funds. The Board of Supervisors also approved the construction of the new Sheriff's work furlough medical/psychiatric facility building and consent decree-required fire, health, life and safety improvements to the Hall of Justice as the top priorities for Proposition 52 funding. The San Bruno jail complex services building and life and safety capital improvements at San Bruno were approved as secondary priorities, with regard to Proposition 52 funding.

Initially, the Department of Public Works, Office of Financial Management estimated the need for the proposed \$24 million bond measure as follows:

	<u>Millions</u>	
Proposition 52 Funds	\$22.5	
Proposition 86 Funds	<u>17.0</u>	
Total State Funds		\$39.5
Local Match Requirement (25 percent of \$52.7 million in total estimated project costs)	\$13.2	
Ineligible Project Costs (20 percent of project)	<u>10.6</u>	
Total Local Contribution		\$23.8

As indicated above, given that the amount of funds available from the State Proposition 52 and 86 is \$39.5 million, and that in order to qualify for these funds, they must total 75 percent of the total project, or \$52.7 million (\$39.5 million divided by 0.75), the 25 percent remainder of the project costs, or \$13.2 million, would be the City's match requirement. In addition, there would be necessary project costs which would

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

be ineligible for State proposition funding, estimated at 20 percent of the project costs, or \$10.6 million (\$52.7 million x 0.20). Together, the local match requirements and the ineligible costs total the City's potential obligation of \$23.8 million (\$13.2 million plus \$10.6 million), rounded to \$24 million in the proposed bond measure.

**Comments:**

1. To date, a detailed budget is not available. Mr. Jerry Costanzo of the Department of Public Works, Office of Financial Management reports that a detailed program budget is currently being prepared. However, a general program budget, including the potential State funds, City funds already appropriated and additional City funds required by project has been prepared which revises the DPW's original estimates:

<u>Description</u>	<u>Project Budget</u>	<u>Potential State Funds</u>	<u>City Funds Previously Appropriated</u>	<u>City Bond Funds Required</u>
New Sheriff's Facility	\$41,557,744	\$29,608,929	\$2,132,886	\$9,815,929
Services Building	10,287,756	7,545,348	-0-	2,742,408
Hall of Justice <u>Smoke Removal</u>	<u>3,260,237</u>	<u>2,345,723</u>	<u>492,588</u>	<u>421,926</u>
Subtotal	\$55,105,737	\$39,500,000	\$2,625,474	\$12,980,263
Hall of Justice Showers & Toilets	\$ 1,104,304	-0-	466,000	638,304
Hall of Justice <u>Women's Recreation</u>	<u>53,595</u>	<u>-0-</u>	<u>8,525</u>	<u>45,070</u>
Total	\$56,263,636	\$39,500,000	\$3,099,999	\$13,663,637

In addition to the \$13,663,637 in required bond funds, the Department of Public Works, Office of Financial Management estimates additional ineligible costs of approximately \$5,510,574 (ten percent of the Proposition 52 and 86 project cost subtotal of \$55,105,737), for a total of \$19,174,211 or \$19.2 million of City bond funds required.



2. As detailed in the attachment, fire, health and life safety improvements to the San Bruno jail could also result in an additional \$8,315,200 of costs. The Department is requesting that \$5 million of additional bond funds be included to address some of these San Bruno jail improvements. The specific improvements to be financed with the proposed bond measure have not been detailed. According to Mr. Calvin Malone of the Department of City Planning, if the proposed San Bruno jail improvements are not included in the proposed bond measure, the Sheriff's Department would submit requests for these improvements as part of the City's annual capital improvements. Together, the estimates provided above and the additional \$5 million result in a total cost of \$24,174,211 (\$19,174,211 plus \$5,000,000), or approximately \$24.2 million.

3. However, the proposed resolution includes \$24 million of bond funds. If the Board of Supervisors wants to include these additional items, the proposed resolution could be amended to increase the bond measure by \$200,000 from \$24 million to \$24.2 million. Alternatively, if the Board of Supervisors does not want to include the additional cost for the San Bruno jail improvements, the proposed bond measure could be reduced by \$4.8 million from \$24 million to \$19.2 million.

4. It should be noted that only the initial three projects listed above (i.e., New Sheriff's Facility, Services Building and Hall of Justice Smoke Removal) would be funded with partial Proposition 52 and 86 funds, representing a total City bond funding requirement of \$18,490,837 (\$12,980,263 local match subtotal plus \$5,510,574 of ineligible costs). In addition, the Sheriff's Department is requesting the Hall of Justice shower and toilet and Hall of Justice Women's recreational improvements at an additional bond cost of \$683,374 (\$638,304 plus \$45,070), which according to Lieutenant Jan Dempsey of the Sheriff's Department, are part of the consent decree for improvements to the sixth floor at the Hall of Justice.

5. The City's receipt of the Proposition 52 funds is contingent on the City having the 25 percent local match available by March 31, 1991 and having the construction contracts signed by March 31, 1991. Based on the estimated total costs of all the proposed projects of \$66,774,210 (\$56,263,636 Total Project Costs plus \$5,510,574 ineligible costs plus \$5,000,000 San Bruno improvements), the City's total costs of \$27,274,210 (\$3,099,999 City funds already appropriated plus \$24,174,211 of proposed bond measure) would be approximately 41 percent of the total estimated project costs.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**

6. The Capital Improvements Advisory Committee (CIAC) has not reviewed the proposed bond measure. The CIAC will meet to review the proposed bond measure at its meeting of June 27, 1990.

7. As part of the CIAC's report to the Board of Supervisors, the Administrative Code requires that the CIAC report include a written statement from the Director of Public Works indicating that the cost estimates have been reviewed by the Department of Public Works for accuracy and completeness. Because the CIAC has not yet issued a report on the proposed bond measure, the Director of Public Works has not issued a statement on the proposed cost estimates.

8. The Mayor's recommended budget for fiscal year 1990-91 did not include funds for the ongoing architectural services for the current architect, Williams and Tanaka, to continue the design work related to the continuation of the jail facilities. A letter dated June 22, 1990 from the architect to Mr. Norman Karasick, the City Architect, indicates that the architects are continuing to work on the architectural design and anticipate accrual of \$463,084 of "unauthorized" design development fees by the end of June, 1990. The architect states that any delay will jeopardize the completion of the design services in time to comply with the State Proposition 52 funding deadline, and consequently could result in the loss of \$22.5 million of State Proposition 52 funds.

9. The Sheriff's Department is requesting that funds be allocated for the continuation of the architectural services and the Mayor's Office reports that approximately \$2.2 million, including the \$463,084 in previously incurred costs will be requested in a forthcoming supplemental appropriation for these architectural services as well as the DPW's Bureau of Architecture costs. However, according to Mr. Costanzo, the proposed bond measure includes the necessary funds for all the architectural and DPW services. Mr. Costanzo reports that in fiscal year 1990-91, an estimated total of \$3.9 million will be required for the proposed projects, including the proposed \$2.2 million for architectural fees and DPW costs as well as City Attorney expenses, Art Commission and initial construction contracts.

10. According to Mr. Robert Kenealey of the City Attorney's Office, if the Board of Supervisors approves a resolution of intention to reimburse the City for prior expenditures from the proceeds of General Obligation bond funds, the proposed advance for architectural and DPW expenses can be reimbursed if the proposed bond measure is approved by the voters in November, 1990. If the Board of Supervisors wants to reimburse these architectural fees from the proposed bond measure, a resolution of intent should be prepared in and reported out of the Finance Committee.

11. Mr. Peter Miller of the CAO's Office indicates that, to date, an analysis of the impact of the proposed bond measure on the property tax rate has not been prepared.

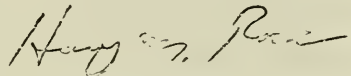
12. Due to the number of unresolved issues (detailed budget, CIAC approval, DPW's evaluation of construction costs, impact on the tax rate) on the proposed bond measure, the Budget Analyst inquired whether the proposed resolution could be continued pending receipt of such additional information. Mr. Robert Kenealey of the City Attorney's Office reports that while the Administrative Code provides that the proposed resolution must be approved by the Finance Committee on June 13 and by the full Board of Supervisors on June 18, 1990, subsequent legislation which will call for a special election in November, 1990 will, in effect, waive these prior deadlines. However, as a result of missing these prior deadlines, Mr. Kenealey reports that no further delays in the proposed legislation are possible, if the proposed bond measure is to appear on the November, 1990 ballot.

13. The City and County of San Francisco does not have a separate procedure for the issuance of General Obligation bonds. Rather, the City adopts the general law of the State of California. The State General Obligation Bond Law requires a resolution of public convenience and necessity be adopted by a two-thirds vote of the Board of Supervisors. If the proposed resolution is approved by a two-thirds vote of the Board of Supervisors, the City Attorney's Office will prepare an ordinance to submit the proposed bond issue to the voters.

**Recommendations:** 1. Approval of the acquisition, construction or reconstruction of the City's jail facilities partially from State funds and matching local funds at an estimated cost of \$24 million is a policy matter for the Board of Supervisors.

2. If the Board of Supervisors approves the proposed legislation, and the Board of Supervisors wants to include the current estimated project costs (\$19.2 million plus the additional request of the Sheriff for \$5 million for improvements to San Bruno jail), the proposed resolution should be amended to increase the bond measure by \$200,000 from \$24 million to \$24.2 million. Alternatively, if the Board of Supervisors approves the proposed legislation but does not want to include the additional \$5 million request of the Sheriff, the proposed resolution should be amended to reduce the bond measure by \$4.8 million from \$24 million to \$19.2 million.

3. If the Board of Supervisors approves the proposed legislation, and the Board of Supervisors wants to reimburse the City for the architectural expenditures from the proceeds of the bond measure, a resolution of intent should be prepared in and reported out of the Finance Committee.



Harvey M. Rose

cc: Supervisor Walker  
Supervisor Maher  
Supervisor Hallinan  
President Britt  
Supervisor Alioto  
Supervisor Gonzalez  
Supervisor Hongisto  
Supervisor Hsieh  
Supervisor Kennedy  
Supervisor Nelder  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Ted Lakey

## Proposed Fire, Health, and Life Safety Improvements

## San Bruno Detention Complex

<u>Project:</u>	<u>Construction:</u>	<u>Additional*s:</u>	<u>Total:</u>
Medical Clinic Improvements	\$1,000,000	\$250,000	\$1,250,000
Elevator Replacement	\$574,300	\$143,575	\$717,875
Fire Door/Smoke Detection	\$224,000	\$56,000	\$280,000
Segregation Barriers	\$307,300	\$76,825	\$384,125
Replace Toilets & Sinks	\$1,385,400	\$346,350	\$1,731,750
Audio-Visual Security Sys.	\$296,860	\$74,215	\$371,075
Replace Water Tank	\$249,700	\$62,425	\$312,125
Renovate Water Main	\$315,800	\$78,950	\$394,750
Replace Boilers	\$1,600,000	\$400,000	\$2,000,000
Emerg. Generator Sewer Plnt.	\$670,000	\$167,500	\$873,500
<u>Improve Roadway Lighting</u>	<u>\$104,000</u>	<u>\$26,000</u>	<u>\$130,000</u>
Subtotal:			\$8,315,200

- \* Additional\*s equal 25% of project, and include such normal project costs as design and DPW contract administration.

Note: This is a partial list prepared by the Sheriff's Department from an Engineering Review Report prepared in March of 1990 by Williams + Tanaka/ Del Campo & Maru, Architects, with construction cost estimates by Vanir CM.



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PLEASE NOTE: CHANGE IN MEETING TIME

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GOVT DOCUMENTS  
PUBLIC LIBRARY

CALENDAR  
RECESSED MEETING OF  
FINANCE COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

(Action - taken)

WEDNESDAY, JUNE 27, 1990 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

CLERK: PATRICIA J. ENG

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 97-90-30. [Residential Rent Stabilization and Arbitration Fee] Ordinance amending Administrative Code by amending Sections 37A.1, 37A.6, 37A.8, 37A.12 and 49.2 to exempt certain owner-occupied dwelling units and certain owner-occupied buildings according to proof, to establish two separate methods for a landlord's recovery of the fee from a tenant, one of which is a direct deduction from a tenant's security deposit, to decrease the non-payment delinquency period from 90 to 60 days, to expand the penalty and interest period, and to delete the termination clause. (Supervisor Walker presented on behalf of the Mayor.)

(Continued from 6/22/90.)

ACTION: RECOMMENDED. (SUPERVISOR MAHER DISSENTING.)

2. File 127-90-5. [Business/Payroll Expense Tax Changes] Ordinance amending Article 12-B Of Part III of the San Francisco Municipal Code (Business Tax Ordinance) by amending Section 1007 thereof to reduce the Annual Business Tax Registration Fee from \$200 to \$150 and to eliminate the credit against business or payroll expense taxes for Business Tax Registration Fees paid, and by adding Section 1004.17 thereto to codify the reversion of tax rates to the pre-July 1, 1988 levels; and amending Article 12-A of Part III of San Francisco Municipal Code (Payroll Expense Tax Ordinance) by adding Section 903.1 thereto to codify reversion of tax rates to the pre-July 1, 1988 levels; operative date. (Supervisor Walker on behalf of the Mayor)

(Continued from 6/22/90 with pending amendment.)

ACTION: PENDING AMENDMENT REFUSED ADOPTION. ORDINANCE AMENDED TO ADD SECTION 4, PROVIDING INTENT TO REVIEW FEE IMPOSED BY SECTION 1007. NO CHANGE IN TITLE. RECOMMENDED AS AMENDED. (SUPERVISOR MAHER DISSENTING IN COMMITTEE.)

3. File 127-90-6. [Parking Tax Surcharge] Ordinance increasing the parking tax surcharge from 5% to 10% effective July 1, 1990; amending Part III, Article 9 of the Municipal Code by repealing Section 602.5-1; effective date. (Supervisor Walker presented on behalf of the Mayor)

(Continued from 6/22/90.)

ACTION: TABLED.



RECESSED CALENDAR  
BUDGET SESSIONS  
FINANCE COMMITTEE

Board of Supervisors  
City and County of San Francisco

WEDNESDAY, JUNE 27, 1990 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, MAHER, HALLINAN

CLERK: PATRICIA J. ENG

1. File 100-90-1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1990-91. (Mayor)

(Continued from 6/22/90 with pending motions.)

ACTION: HEARING HELD. BUDGET AMENDED. TO BOARD WITHOUT RECOMMENDATION.









